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BOARD OF SUPERVISORS

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January 21, 2014

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

19 January 21, 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**AUTHORIZATION TO EXECUTE A SOLE SOURCE CONTRACT
WITH GARTNER, INC., FOR CONSULTING SERVICES EFFECTIVE
UPON EXECUTION THROUGH MAY 31, 2014
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

SUBJECT

Authorization to execute a sole source contract with Gartner, Inc. to conduct an assessment of clinical operations and gather information system requirements for various divisions within the Department of Public Health and formulate a strategy and roadmap for the implementation of an electronic health record system.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and instruct the Director of the Department of Public Health (DPH), or his designee, to execute a sole source contract, substantially similar to Exhibit I, with Gartner, Inc. (Gartner) for consulting services to assist DPH to identify key requirements for an electronic health record (EHR) system, effective upon contract execution, but no sooner than date of Board approval, through May 31, 2014; at a maximum obligation of \$155,000; 100 percent funded by net County cost (NCC) funds.
2. Delegate authority to the Director of DPH, or his designee, to execute amendments to the contract that extend the term on a month-to-month basis up to six months and/or provide an increase or decrease in funding up to 10 percent above or below the annual base maximum obligation, effective upon amendment execution, and make corresponding service adjustments, as necessary, subject to review and approval by County Counsel, and notification to your Board and the Chief Executive Office (CEO).

3. Delegate authority to the Director of DPH, or his designee, to execute change notices to the contract that authorize modifications to or within budget categories within the budget, up to an adjustment between all budget categories equal to 10 percent of each term's base maximum obligation, and corresponding service adjustments, as necessary; changes to hours of operation and/or service locations; and correct errors in the contract's terms and conditions.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of Recommendation 1 will allow DPH to execute a contract with Gartner to conduct an assessment of DPH's current clinical information systems. This assessment will provide critical information for the future acquisition and implementation of an EHR system for DPH. This assessment will focus on DPH programs involved in the delivery of clinical care services which includes but is not limited to Community Health Services (CHS), Children's Medical Services (CMS), and the Public Health Laboratory (PHL) programs. This consulting engagement with Gartner will be conducted in two phases over a projected 8-week period. The first phase of the engagement involves an assessment of DPH clinical operations and an evaluation of EHR system alternatives. The second phase of the engagement will be devoted to an operational readiness assessment and the development of a roadmap for the acquisition and implementation of an EHR system for DPH.

CHS provides clinical services through a network of 14 ambulatory public health centers. CHS handles an average of 250,000 clinic visits per year, has accumulated approximately 1.2 million medical records for clinic patients, and uses the Patient Health Information System (P-HIS), a 30-year old registration and scheduling system, to record patient encounters. This legacy system provides limited functionality and does not meet current requirements for clinical documentation, clinical decision support, billing, or data exchange.

CHS plans to retire the P-HIS and replace it with an EHR system that will address registration and scheduling requirements and offer new features to enhance the documentation of clinical encounters, monitor the quality of patient care, and support laboratory and pharmacy operations. An EHR system will enable the exchange of clinical data with DPH programs, County departments and other health care providers that will improve patient outcomes and support critical public health functions such as disease surveillance and reporting. In the post-health care reform environment, an EHR system will also facilitate revenue recovery efforts by improving DPH's ability to generate claims and bill third party payors (e.g., Medi-Cal, private insurers) for safety net services.

CMS provides occupational and physical therapy services in its 22 Medical Therapy Units. CMS therapists currently utilize an electronic medical chart management system to manage medical reports from external providers and a separate database to generate patient assessment reports. Patient notes are then entered into the state wide case management system, CMSNet. An EHR system will provide CMS with the features needed to better manage the delivery of these therapy services, foster data exchange with external therapy providers and allow for ready access to the medical records of each patient.

The PHL provides diagnostic laboratory services that are managed through its Sunquest laboratory information system. The DPH Sunquest system currently interfaces with the Department of Health Services' (DHS) clinical systems, allowing requestors to order tests and receive automated results from the PHL. The PHL is now seeking to upgrade or replace its existing system with a new system that has richer laboratory management features and an ability to provide software interfaces to

healthcare providers who use its laboratory services, including DHS. Inclusion of the PHL in the DPH EHR system will be evaluated as a strategy to meet these needs.

Gartner is uniquely positioned to provide DPH with the consulting services needed to evaluate its current clinical operations and provide strategic guidance to DPH on the acquisition and implementation of an EHR system. In 2008, Gartner assisted DPH with the development of an Information Technology (IT) Transformation Plan that has served as the basis for department-wide improvements in IT services and infrastructure capabilities. Under a competitively bid Information Technology Support Services Master Agreement (ITSSMA) Work Order, Gartner also assisted DHS with the development of its ORCHID strategy, a plan to implement the Cerner EHR system throughout all of DHS' hospitals. Gartner has continued to provide strategic oversight, technical guidance, and quality assurance support to DHS during the ongoing implementation of its Cerner EHR system.

DPH is seeking consulting services from Gartner to conduct an assessment of the Department's high-level system requirements and develop an EHR strategy that is compatible with DHS' ongoing EHR implementation. DPH and DHS clinical systems must be able to freely exchange data in order to ensure continuity of care and improve overall patient outcomes. Since compatibility between DHS and DPH systems is critical to providing quality care to patients that make use of DPH and DHS safety net services, DPH needs consulting services from a firm that has in-depth knowledge of DHS's EHR implementation and related processes.

DPH does not have sufficient staff with the experience and knowledge required to successfully plan and implement an EHR and related revenue recovery operations. Specialized expertise is needed to quickly assess clinical operations throughout DPH and develop a suitable EHR strategy. Due to Gartner's extensive knowledge of DHS' ongoing EHR implementation, the need to ensure compatibility between DHS and DPH clinical systems and operations, and Gartner's understanding of DPH's information technology infrastructure environment, Gartner is uniquely capable of providing DPH with a strategic EHR roadmap that is consistent with Countywide and DPH objectives.

Approval of Recommendation 2 will allow DPH to execute amendments to the contract that extend the term on a month-to-month basis up to six months and/or increase or decrease funding up to 10 percent above or below the annual base maximum obligation, effective upon amendment execution, and make corresponding service adjustments, as necessary.

Approval of Recommendation 3 will allow DPH to execute change notices to the contract that authorize modifications to or within budget categories within the budget, up to an adjustment between all budget categories equal to 10 percent of each term's base maximum obligation, and corresponding service adjustments, as necessary; changes to hours of operation and/or service locations; and/or corrections of errors in the contract's terms and conditions.

Implementation of Strategic Plan Goals

The recommended actions support Goal 3, Integrated Services Delivery, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The total maximum obligation for the recommended contract with Gartner for the period effective upon contract execution, but no sooner than date of Board approval, through May 31, 2014 is

\$155,000; 100 percent funded by NCC funds.

Funding for this contract is included in DPH's Final Adopted Budget for fiscal year (FY) 2013-14 and will be included in future FYs, as necessary.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

County Counsel has approved Exhibit I as to use. Attachment A is the Sole Source Checklist signed by the CEO.

The Chief Information Office (CIO) concurs with the DPH's intent to proceed with this sole source engagement with Gartner to conduct a preliminary assessment of the department's current clinical information systems. The CIO will be working closely with DPH to review the assessment's findings and recommendations as DPH develops a strategy to replace its clinical systems.

CONTRACTING PROCESS

Founded in 1979, Gartner has worked with the largest public health care providers across the United States and globally. Gartner has successfully worked with DPH and DHS on other engagements, including assisting DHS with the development of its EHR strategy and subsequent implementation of its Cerner EHR system. Gartner continues to work with the New York City Health and Hospital Corporation on the development of an overall IT strategy and plan for the implementation of a new Hospital Information System, and also assisted other health care organizations such as Catholic Healthcare Partners and Canada Health Infoway with related efforts to implement EHR systems.

The Gartner team consists of senior professionals with an extensive background in health care IT, including tactical and strategic planning, project governance and management, and selection and implementation of IT-based solutions. The Gartner team has full access to Gartner Research and subject matter experts to provide analytical support and guidance on key technical areas related to EHR requirements, strategy, selection, and implementation.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will assist DPH with the development of a strategy and roadmap for the future selection and implementation of an EHR system to effectively manage the delivery of various services throughout Los Angeles County.

The Honorable Board of Supervisors

1/21/2014

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Respectfully submitted,

A handwritten signature in blue ink that reads "Jonathan E. Fielding". The signature is written in a cursive, flowing style.

JONATHAN E. FIELDING, M.D., M.P.H.

Director and Health Officer

JEF:er

#02826

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

CONTRACT BODY (CB)

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Exhibit A – Statement(s) of Work

Exhibit B – Scope(s) of Work

Exhibit C – Budget(s)

Exhibit D – Contractor's EEO Certification

Exhibit E – Contractor Acknowledgement and Confidentiality Agreement

Exhibit F – Health Insurance Portability and Accountability Act (HIPAA)

Contract No. _____

GARTNER, INC.
CONSULTING SERVICES

THIS CONTRACT is made and entered into this _____ day of
_____, 2014,

by and between

COUNTY OF LOS ANGELES
(hereafter "County")

and

GARTNER, INC
(hereafter "Contractor")

WHEREAS, California Health and Safety Code Section 101025 places upon County's Board of Supervisors ("Board"), the duty to preserve and protect the public's health; and

WHEREAS, California Health and Safety Code Section 101000 requires County's Board to appoint a County Health Officer, who is also the Director of County's Department of Public Health ("DPH" or "Department"), to provide services directed toward the prevention or mitigation of communicable and infectious disease within the jurisdiction of County; and

WHEREAS, the term "Director" as used herein refers to the County's Director of DPH, or his duly authorized designee; (hereafter jointly referred to as "Director"); and

WHEREAS, County is authorized by Government Code Section 31000 to contract for these services, and

WHEREAS, Contractor is willing and able to provide the services described herein, in consideration of the payments under this contract and under the terms and conditions hereafter set forth; and

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

1. APPLICABLE DOCUMENTS: Exhibits A, B, C, D, E, and F are attached to and form a part of this Contract. In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, budget, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the base Contract and the Exhibits, or between Exhibits, such conflict or inconsistency shall be resolved by giving precedence first to the Contract and then to the Exhibits as listed below:

- Exhibit A – Statement of Work
- Exhibit B – Scope of Work
- Exhibit C – Budget(s)
- Exhibit D – Contractor's EEO Certification
- Exhibit E – Contractor Acknowledgement and Confidentiality Agreement
- Exhibit F – Health Insurance Portability and Accountability Act (HIPAA)

2. DESCRIPTION OF SERVICES:

A. Contractor shall provide services in the manner described in Exhibit A (Statement of Work) and Exhibit B (Scope of Work), attached hereto and incorporated herein by reference.

B. Contractor acknowledges that the quality of service(s) provided under this Contract shall be at least equivalent to that which Contractor provides to all other clients it serves.

C. If the Contractor provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the Contractor, and the Contractor shall have no claim whatsoever against the County.

3. TERM OF CONTRACT: The term of this Contract shall be effective on date of execution and shall continue in full force and effect through May 31, 2014, unless sooner terminated or extended, in whole or in part, as provided in this Contract.

4. MAXIMUM OBLIGATION OF COUNTY:

A. Effective date of execution through May 31, 2014, the maximum obligation of County for all services provided hereunder shall not exceed One Hundred Fifty-Five Thousand (\$155,000), as set forth in Exhibit C, attached hereto and incorporated herein by reference.

B. The Contractor shall maintain a system of record keeping that will allow the contractor to determine when it has incurred seventy-five percent (75%) of the total contract authorization under this Contract. Upon occurrence of this event, the Contractor shall send written notification to the Department at the address herein provided under Paragraph 22, Notices.

C. No Payment for Services Provided Following Expiration/

Termination of Contract: The Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by the Contractor after the expiration or other termination of this Contract. Should the Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for Services rendered after expiration/termination of this Contract shall not constitute a waiver of County's right to recover such payment from the Contractor. This provision shall survive the expiration or other termination of this Contract.

5. INVOICES AND PAYMENT:

A. The Contractor shall invoice the County only for providing the tasks, deliverables, goods, services, and other work specified in Exhibits A and B elsewhere hereunder and in accordance with Exhibit C attached hereto and incorporated herein by reference.

Based on deliverable amounts invoices are due, as set forth in Exhibit C, upon Contractor's completion and County's written approval of billable deliverables. All billings shall include a financial invoice and all required reports and/or data. Each invoice submitted by Contractor shall indicate, at a minimum: (1) contract name and number; (2) the tasks, deliverables, goods, services for which payment is claimed; (3) the price of such tasks, deliverables, goods, services calculated based on Exhibit C; (4) the date of written County approval of the tasks, deliverables, goods,

services; and (5) any other information reasonably requested by County. Invoices shall be submitted to County within thirty (30) calendar days of deliverable acceptance. Invoices all invoices submitted by Contractor to County for payment shall require County's written approval, which approval shall not be unreasonably withheld. In no event shall County be liable or responsible for any payment prior to such written approval.

B. While payment shall be made in accordance with the fee for service rates(s) set out in the budget attached hereto, Contractor, if requested by County, State, or federal representatives, must be able to produce proof of actual costs incurred in the provision of units of service hereunder. If the actual allowable and documented costs are less than the fee for service rate(s) set in the budget, Contractor shall be reimbursed for the actual costs. In no event shall County be required to pay Contractor for units of service that are not supported by actual allowable and documented costs.

C. Billings shall be submitted directly to DPH PHIS, 5555 Ferguson Drive, Suite 100-04, Commerce, CA 90022, Attention Jose Contreras,

D. For each term, or portion thereof, that this Contract is in effect, Contractor shall provide an annual cost report within thirty (30) calendar days following the close of the contract period. Such cost report shall be prepared in accordance with generally accepted accounting principles and clearly reflect all required information as specified in instructions and forms provided by the County.

If this Contract is terminated prior to the close of the contract period, the cost report shall be for that Contract period which ends on the termination date. The report shall be submitted within thirty (30) calendar days after such termination date.

The primary objective of the annual cost report shall be to provide the County with actual expenditure data for the contract period that shall serve as the basis for determining final amounts due to/from the Contractor.

If the annual cost report is not delivered by Contractor to County within the specified time, Director may withhold all payments to Contractor under all service agreements between County and Contractor until such report is delivered to County and/or, at the Director's sole discretion, a final determination of amounts due to/from Contractor is determined on the basis of the last billing received.

Failure to provide the annual cost report may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

E. Upon expiration or prior termination of this Contract, Contractor shall submit, within thirty (30) calendar days, any outstanding and/or final invoice(s) for processing and payment. Contractor's failure to submit any outstanding and/or final invoice(s) within the specified period shall constitute Contractor's waiver to receive payment for any outstanding and/or final invoice(s).

F. Withholding Payment:

(1) Subject to the reporting and data requirements of this Contract and the exhibit(s) attached hereto, County may withhold any claim for payment by Contractor if any report or data is not delivered by Contractor to County within the time limits of submission as set forth in this Contract, or if such report or data is incomplete in accordance with requirements set forth in this Contract. This withholding may be invoked for the current month and any succeeding month or months for reports or data not delivered in a complete and correct form.

(2) Subject to the Record Retention and Audits provision of this Contract, County may withhold any claim for payment by Contractor if Contractor has been given at least thirty (30) calendar days' notice of deficiency(ies) in compliance with the terms of this Contract and has failed to correct such deficiency(ies). This withholding may be invoked for any month or months for deficiency(ies) not corrected.

(3) Upon acceptance by County of all report(s) and data previously not accepted under this provision and/or upon correction of the deficiency(ies) noted above, County shall reimburse all withheld payments on the next regular claim for payment by Contractor.

(4) Subject to the provisions of the exhibit(s) of this Contract, if the services are not completed by Contractor within the specified time, County may withhold all payments to Contractor under this Contract until proof of such service(s) is/are delivered to County.

(5) In addition to Sub-paragraphs (1) through (4) immediately above, Director may withhold claims for payment by Contractor which are delinquent amounts due to County as determined by any cost report settlement, audit report, audit report settlement, or financial evaluation report, resulting from this or any current year's Contract(s) or any prior years' Contract(s) between the County and Contractor. The withheld claims will be used to pay all outstanding delinquent amounts and upon the County being repaid all outstanding delinquent amounts, any remaining claims for payment will be made to the Contractor accordingly.

(6) County may withhold any claim for payment by Contractor if Contractor, in the judgment of the County is in material breach of this Contract or has failed to fulfill its obligations under this Contract until Contractor has cured said breaches and/or failures. County will provide written notice of its intention to withhold payment specifying said breaches and/or failure to Contractor.

G. Fiscal Viability: Contractor must be able to carry the costs of its program without reimbursement from the contract for at least sixty (60) days at any point during the term of this contract.

6. FUNDING/SERVICES ADJUSTMENTS AND REALLOCATIONS:

A. Upon Director's specific written approval, as authorized by the County's Board of Supervisors, County may: 1) increase or decrease funding up to 10 percent (10%) above or below each term's annual base maximum obligation; and 3) make modifications to or within budget categories within each budget, as reflected in Exhibit C, up to an adjustment between all budget categories equal to ten percent (10%) of each term's annual base maximum obligation, and make corresponding service adjustments, as necessary. Such adjustments may be made based on the following: (a) if additional monies are available from federal, State, or County funding sources; (b) if a reduction of monies occurs from federal, State, or County funding sources; and/or (c) if County determines from reviewing Contractor's records of service delivery and billings to County that an underutilization of funds provided under this Contract will occur over its term.

All funding adjustments and reallocation as allowed under this Paragraph may be effective upon amendment execution or at the beginning of the applicable contract term, to the extent allowed by the funding source and as authorized by the County's Board of Supervisors. Adjustments and reallocations of funds in excess of the aforementioned

amount shall require separate approval by County's Board of Supervisors. Any change to the County maximum obligation or reallocation of funds between budgets in this Contract shall be effectuated by an administrative amendment to this Contract pursuant to the ALTERATION OF TERMS/AMENDMENTS Paragraph of this Contract. Any modification to or within budget categories within each budget, as reflected in Exhibit C, shall be effectuated by a change notice that shall be incorporated into and become part of this Contract pursuant to the ALTERATION OF TERMS/AMENDMENTS Paragraph of this Contract.

B. County and Contractor shall review Contractor's expenditures and commitments to utilize any funds, which are specified in this Contract for the services hereunder and which are subject to time limitations as determined by Director, midway through each County fiscal year during the term of this Contract, midway through the applicable time limitation period for such funds if such period is less than a County fiscal year, and/or at any other time or times during each County fiscal year as determined by Director. At least fifteen (15) calendar days prior to each such review, Contractor shall provide Director with a current update of all of Contractor's expenditures and commitments of such funds during such fiscal year or other applicable time period.

7. ALTERATION OF TERMS/AMENDMENTS:

A. The body of this Contract (including its ADDITIONAL PROVISIONS), and any Exhibit(s) attached hereto, fully expresses all

understandings of the parties concerning all matters covered and shall constitute the total Contract. No addition to, or alteration of, the terms of this Contract, whether by written or verbal understanding of the parties, their officers, employees or agents, shall be valid and effective unless made in the form of a written amendment to this Contract which is formally approved and executed by the parties in the same manner as this Contract.

B. The County's Board of Supervisors; the Chief Executive Officer or designee; or applicable State and/or federal entities, laws, or regulations may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract to comply with changes in law or County policy. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors, Chief Executive Officer, or State or federal entity. To implement such changes, an Amendment to the Contract shall be prepared by Director and executed by the Contractor and Director, as authorized by the County's Board of Supervisors.

C. Notwithstanding Paragraph 7.A., in instances where the County's Board of Supervisors has delegated authority to the Director to amend this Contract to permit extensions or adjustments of the contract term; the rollover of unspent Contract funds; and/or an internal reallocation of funds between budgets up to 10 percent (10%) of each term's annual base maximum obligation and/or an increase or decrease in funding up to

10 percent (10%) above or below each term's annual base maximum obligation, effective upon amendment execution or at the beginning of the applicable Contract term, and make corresponding service adjustments, as necessary, an Administrative Amendment shall be prepared by Director and executed by the Contractor and Director, as authorized by the County's Board of Supervisors, and shall be incorporated into and become part of this Contract.

D. Notwithstanding Paragraph 7.A., in instances where the County's Board of Supervisors has delegated authority to the Director to amend this Contract to permit modifications to or within budget categories within each budget, as reflected in Exhibit C, up to an adjustment between all budget categories equal to 10 percent (10%) of each term's annual base maximum obligation, and corresponding adjustment of the scope of work tasks and/or activities and/or allow for changes to hours of operation, changes to service locations, and/or correction of errors in the Contract's terms and conditions, a written Change Notice shall be signed by the Director and Contractor, as authorized by the County's Board of Supervisors. The executed Change Notice shall be incorporated into and become part of this Contract.

8. CONFIDENTIALITY:

A. Contractor shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and

procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.

B. Contractor shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with this CONFIDENTIALITY Paragraph, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this CONFIDENTIALITY Paragraph shall be conducted by Contractor and performed by counsel selected by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole costs and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.

C. Contractor shall inform all of its officers, employees, agents and subcontractors providing services hereunder of the confidentiality provisions of this Contract.

D. Contractor shall sign and adhere to the provisions of the "Contractor Acknowledgement and Confidentiality Agreement", Exhibit E.

9. CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFF/OR RE-EMPLOYMENT LIST: Should Contractor require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, Contractor shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this Contract.

10. INDEMNIFICATION: The Contractor shall indemnify, defend, and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers ("County Indemnitees") from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from and/or relating to this Contract, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnitees.

11. GENERAL PROVISIONS FOR ALL INSURANCE COVERAGES: Without limiting Contractor's indemnification of County and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, Contractor shall provide and maintain at its own expense insurance

coverage satisfying the requirements specified in this paragraph and in the INSURANCE COVERAGE REQUIREMENTS Paragraph of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Contractor pursuant to this Contract. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Contract.

A. Evidence of Coverage and Notice to County: A certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to the County at the address shown below and provided prior to commencing services under this Contract.

Renewal Certificates shall be provided to County not less than ten (10) calendar days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.

Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC

(National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000) dollars, and list any County required endorsement forms.

Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles – Department of Public Health
Contract Monitoring Unit
5555 Ferguson Drive, Suite 210
Commerce, California 90022

Attention: Chief Contract Monitoring Unit

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against Contractor and/or County.

B. Additional Insured Status and Scope of Coverage: The County of Los Angeles, its special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Provisions herein.

C. Cancellation of or Changes in Insurance: Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the

Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

D. Failure to Maintain Insurance: Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

E. Insurer Financial Ratings: Coverage shall be placed with insurers acceptable to the County with an A.M. Best ratings of not less than A:VII unless otherwise approved by County.

F. Contractor's Insurance Shall Be Primary: Contractor's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

G. Waivers of Subrogation: To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' right of recovery against County under all the Required Insurance for any loss arising from or relating to this Contract. The Contractor shall require its insurers to

execute any waiver of subrogation endorsements which may be necessary to affect such waiver.

H. Compensation for County Costs: In the event that Contractor fails to comply with any of the indemnification or insurance requirements of this Contract, and such failure to comply results in any costs to County, Contractor shall pay full compensation for all costs incurred by County.

I. Sub-Contractor Insurance Coverage Requirements: Contractor shall include all Sub-Contractors as insured under Contractor's own policies, or shall provide County with each Sub-Contractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Sub-Contractor complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Contractor as additional insured on the Sub-Contractor's General Liability policy. Contractor shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

J. Deductibles and Self-Insured Retentions (SIRs): Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects to the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and

defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

K. Claims Made Coverage: If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Contract. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.

L. Application of Excess Liability Coverage: Contractors may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.

M. Separation of Insureds: All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

N. Alternative Risk Financing Programs: The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

O. County Review and Approval of Insurance Requirements: The County reserves the right to review and adjust the Required Insurance

provisions, conditioned upon County's determination of changes in risk exposures.

12. INSURANCE COVERAGE REQUIREMENTS:

A. Commercial General Liability insurance (providing scope of coverage equivalent to Insurance Services Office ["ISO"] policy form "CG 00 01"), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$2 Million
Products/Completed Operations Aggregate:	\$1 Million
Personal and Advertising Injury:	\$1 Million
Each Occurrence:	\$1 Million

B. Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form "CA 00 01") with limits of not less than One Million Dollars (\$1,000,000) for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Contractor's use of autos pursuant to this Contract, including "owned", "leased", "hired", and/or "non-owned" autos, as each may be applicable.

C. Workers' Compensation and Employers' Liability insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than One Million Dollars (\$1,000,000) per accident. If Contractor will provide leased employees, or, is an employee leasing or temporary staffing firm or a

professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Contractor's operations, coverage shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

D. Professional Liability/Errors and Omissions: Insurance covering Contractor's liability arising from or related to this Contract, with limits of not less than One Million Dollars (\$1,000,000) per claim and Two Million Dollars (\$2,000,000) aggregate. Further, Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Contract's expiration, termination or cancellation.

E. Property Coverage: Contractors given exclusive use of County owned or leased property shall carry coverage at least as broad as that provided by the ISO special causes of loss (ISO policy form CP 10 30) form. The County and its Agents shall be named as an Additional Insured and Loss Payee on Contractor's insurance as its interests may appear. Automobiles and mobile equipment shall be insured for their actual cash value. Real property and all other personal property shall be insured for their full replacement value.

13. OWNERSHIP OF MATERIALS, SOFTWARE AND COPYRIGHT:

A. Contractor agrees that all public announcements, literature, audiovisuals, and printed material developed or acquired by Contractor or otherwise, in whole or in part, under this Contract, and all works based thereon, incorporated therein, or derived there from, shall be the sole property of County.

B. Contractor hereby assigns and transfers to County in perpetuity for all purposes all Contractors' rights, title, and interest in and to all such items including, but not limited to, all unrestricted and exclusive copyrights and all renewals and extensions thereof.

C. With respect to any such items which come into existence after the commencement date of the Contract, Contractor shall assign and transfer to County in perpetuity for all purposes, without any additional consideration, all Contractor's rights, title, and interest in and to all items, including, but not limited to, all unrestricted and exclusive copyrights and all renewals and extensions thereof.

D. During the term of this Contract and for five (5) years thereafter, the Contractor shall maintain and provide security for all of the Contractor's working papers prepared under this Contract. County shall have the right to inspect, copy and use at any time during and subsequent to the term of this Contract, any and all such working papers and all information contained therein.

E. Any and all materials, software and tools which are developed or were originally acquired by the Contractor outside the scope of this Contract, which the Contractor desires to use hereunder, and which the Contractor considers to be proprietary or confidential, must be specifically identified by the Contractor to the County's Project Manager as proprietary or confidential, and shall be plainly and prominently marked by the Contractor as "Proprietary" or "Confidential" on each appropriate page of any document containing such material.

F. If directed to do so by County, Contractor will place the County name, its department names and/or its marks and logos on all items developed under this Contract. If also directed to do so by County, Contractor shall affix the following notice to all items developed under this Contract: "© Copyright 20XX (or such other appropriate date of first publication), County of Los Angeles. All Rights Reserved." Contractor agrees that it shall not use the County name, its department names, its program names, and/or its marks and logos on any materials, documents, advertising, or promotional pieces, whether associated with work performed under this Contract or for unrelated purposes, without first obtaining the express written consent of County.

For the purposes of this Contract, all such items shall include, but not be limited to, written materials (e.g, curricula, text for vignettes, press releases, advertisements, text for public service announcements for any and all media types, pamphlets, brochures, fliers), software, audiovisual materials (e.g., films,

videotapes, websites), and pictorials (e.g., posters and similar promotional and educational materials using photographs, slides, drawings, or paintings).

14. PUBLICITY: Contractor agrees that all materials, public announcements, literature, audiovisuals, and printed materials utilized in association with this Contract, shall have prior written approval from the Director or his/her designee prior to its publication, printing, duplication, and implementation with this Contract. All such materials, public announcements, literature, audiovisuals, and printed material shall include an acknowledgement that funding for such public announcements, literature, audiovisuals, and printed materials was made possible by the County of Los Angeles, Department of Public Health and other applicable funding sources.

For the purposes of this Contract, all such items shall include, but not be limited to, written materials (e.g., curricula, text for vignettes, text for public service announcements for any and all media types, pamphlets, brochures, fliers), audiovisual materials (e.g., films, videotapes), and pictorials (e.g., posters and similar promotional and educational materials using photographs, slides, drawings, or paintings).

15. RECORD RETENTION AND AUDITS:

A. Service Records: Contractor shall maintain all service records related to this contract for a minimum period of five (5) years following the expiration or prior termination of this Contract. Contractor shall provide upon request by County, accurate and complete records of its activities

and operations as they relate to the provision of services, hereunder.

Records shall be accessible as detailed in the subsequent sub-paragraph.

B. Financial Records: Contractor shall prepare and maintain on a current basis, complete financial records in accordance with generally accepted accounting principles and also in accordance with written guidelines, standards, and procedures which may from time to time be promulgated by Director. For additional information, please refer to the Los Angeles County Auditor-Controller's Contract Accounting and Administration Handbook. The handbook is available on the internet at <http://publichealth.lacounty.gov/cg/index.htm>

Such records shall clearly reflect the actual cost of the type of service for which payment is claimed and shall include, but not be limited to:

(1) Books of original entry which identifies all designated donations, grants, and other revenues, including County, federal, and State revenues and all costs by type of service.

(2) A General Ledger.

(3) A written cost allocation plan which shall include reports, studies, statistical surveys, and all other information Contractor used to identify and allocate indirect costs among Contractor's various services. Indirect Costs shall mean those costs incurred for a common or joint objective which cannot be identified specifically with a particular project or program.

(4) Personnel records which show the percentage of time worked providing service claimed under this Contract. Such records shall be corroborated by payroll timekeeping records, signed by the employee and approved by the employee's supervisor, which show time distribution by programs and the accounting for total work time on a daily basis. This requirement applies to all program personnel, including the person functioning as the executive director of the program, if such executive director provides services claimed under this Contract.

(5) Personnel records which account for the total work time of personnel identified as indirect costs in the approved contract budget. Such records shall be corroborated by payroll timekeeping records signed by the employee and approved by the employee's supervisor. This requirement applies to all such personnel, including the executive director of the program, if such executive director provides services claimed under this Contract.

The entries in all of the aforementioned accounting and statistical records must be readily traceable to applicable source documentation (e.g., employee timecards, remittance advice, vendor invoices, appointment logs, client/patient ledgers). The client/patient eligibility determination and fees charged to, and collected from clients/patients must also be reflected therein. All financial records shall be retained by Contractor at a location within

Los Angeles County during the term of this Contract and for a minimum period of five (5) years following expiration or earlier termination of this Contract, or until federal, State and/or County audit findings are resolved, whichever is later. During such retention period, all such records shall be made available during normal business hours within ten (10) calendar days, to authorized representatives of federal, State, or County governments for purposes of inspection and audit. In the event records are located outside Los Angeles county and Contractor is unable to move such records to Los Angeles County, the Contractor shall permit such inspection or audit to take place at an agreed to outside location, and Contractor shall pay County for all travel, per diem, and other costs incurred by county for any inspection and audit at such other location. Contractor shall further agree to provide such records, when possible, immediately to County by facsimile/FAX, or through the Internet (i.e. electronic mail ["e-mail"], upon Director's request. Director's request shall include appropriate County facsimile/FAX number(s) and/or e-mail address(es) for Contractor to provide such records to County. In any event, Contractor shall agree to make available the original documents of such FAX and e-mail records when requested by Director for review as described hereinabove.

C. Preservation of Records: If following termination of this Contract Contractor's facility is closed or if ownership of Contractor

changes, within forty-eight (48) hours thereafter, the Director is to be notified thereof by Contractor in writing and arrangements are to be made by Contractor for preservation of the client/patient and financial records referred to hereinabove.

D. Audit Reports: In the event that an audit of any or all aspects of this Contract is conducted by any federal or State auditor, or by any auditor or accountant employed by contractor or otherwise, Contractor shall file a copy of each such audit report(s) with the Chief of the County's Department of Public Health ("DPH") Contract Monitoring Division, and with County's Auditor-Controller (Auditor-Controller's Audit Branch) within thirty (30) calendar days of Contractor's receipt thereof, unless otherwise provided for under this Contract, or under applicable federal or State regulations. To the extent permitted by law, County shall maintain the confidentiality of such audit report(s).

E. Independent Audit: Contractor's financial records shall be audited by an independent auditor in compliance with Federal Office of Management and Budget (OMB) Circular Number A-133. The audit shall be made by an independent auditor in accordance with Governmental Financial Auditing Standards developed by the Comptroller General of the United States, and any other applicable federal, State, or County statutes, policies, or guidelines. Contractor shall complete and file such audit report(s) with the County's DPH Contract Monitoring Division no later than

the earlier of thirty (30) days after receipt of the auditor's report(s) or nine (9) months after the end of the audit period.

If the audit report(s) is not delivered by Contractor to County within the specified time, Director may withhold all payments to Contractor under all service agreements between County and Contractor until such report(s) is delivered to County.

The independent auditor's work papers shall be retained for a minimum of three (3) years from the date of the report, unless the auditor is notified in writing by County to extend the retention period. Audit work paper shall be made available for review by federal, State, or County representative upon request.

F. Federal Access to Records: If, and to the extent that, Section 1861 (v) (1) (I) of the Social Security Act [42 United States Code ("U.S.C.") Section 1395x(v) (1) (I)] is applicable, Contractor agrees that for a period of five (5) years following the furnishing of services under this Contract, Contractor shall maintain and make available, upon written request, to the Secretary of the United States Department of Health and Human Services or the Comptroller General of the United States, or to any of their duly authorized representatives, the contracts, books, documents, and records of Contractor which are necessary to verify the nature and extent of the cost of services provided hereunder. Furthermore, if Contractor carries out any of the services provided hereunder through any subcontract with a value or cost of Ten Thousand Dollars (\$10,000) or more over a twelve

(12) month period with a related organization (as that term is defined under federal law), Contractor agrees that each such subcontract shall provide for such access to the subcontract, books, documents, and records of the subcontractor.

G. Program and Audit/Compliance Review: In the event County representatives conduct a program review and/or an audit/compliance review of Contractor, Contractor shall fully cooperate with County's representatives. Contractor shall allow County representatives access to all records of services rendered and all financial records and reports pertaining to this Contract and shall allow photocopies to be made of these documents utilizing Contractor's photocopier, for which County shall reimburse Contractor its customary charge for record copying services, if requested. Director shall provide Contractor with at least ten (10) working days prior written notice of any audit/compliance review, unless otherwise waived by Contractor.

County may conduct a statistical sample audit/compliance review of all claims paid by County during a specified period. The sample shall be determined in accordance with generally accepted auditing standards. An exit conference shall be held following the performance of such audit/compliance review at which time the result shall be discussed with Contractor. Contractor shall be provided with a copy of any written evaluation reports.

Contractor shall have the opportunity to review County's findings on Contractor, and Contractor shall have thirty (30) calendar days after receipt of County's audit/compliance review results to provide documentation to County representatives to resolve the audit exceptions. If, at the end of the thirty (30) calendar day period, there remains audit exceptions which have not been resolved to the satisfaction of County's representatives, then the exception rate found in the audit, or sample, shall be applied to the total County payment made to Contractor for all claims paid during the audit/compliance review period to determine Contractor's liability to County. County may withhold any claim for payment by Contractor for any month or months for any deficiency(ies) not corrected.

H. Audit Settlements:

(1) If an audit conducted by federal, State, and/or County representatives finds that units of service, actual reimbursable net costs for any services and/or combinations thereof furnished hereunder are lower than units of service and/or reimbursement for stated actual net costs for any services for which payments were made to Contractor by County, then payment for the unsubstantiated units of service and/or unsubstantiated reimbursement of stated actual net costs for any services shall be repaid by Contractor to County. For the purpose of this paragraph an "unsubstantiated unit of service" shall mean a unit of service for

which Contractor is unable to adduce proof of performance of that unit of service and "unsubstantiated reimbursement of stated actual net costs" shall mean a stated actual net costs for which Contractor is unable to adduce proof of performance and/or receipt of the actual net cost for any service.

(2) If an audit conducted by federal, State, and/or County representatives finds that actual allowable and documented costs for a unit of service provided hereunder are less than the County's payment for those units of service, the Contractor shall repay County the difference immediately upon request, or County has the right to withhold and/or offset that repayment obligation against future payments.

(3) If within thirty (30) calendar days of termination of the Contract period, such audit finds that the units of service, allowable costs of services and/or any combination thereof furnished hereunder are higher than the units of service, allowable costs of services and/or payments made by County, then the difference may be paid to Contractor, not to exceed the County maximum Obligation.

(4) In no event shall County be required to pay Contractor for units of services that are not supported by actual allowable and documented costs.

(5) In the event that Contractor's actual allowable and documented cost for a unit of service are less than fee-for-service rate(s) set out in the budget(s), the Contractor shall be reimbursed for its actual allowable and documented costs only.

I. Failure to Comply: Failure of Contractor to comply with the terms of this Paragraph shall constitute a material breach of contract upon which Director may suspend or County may immediately terminate this Contract.

16. TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE OR RESTRICTIONS ON LOBBYING:

A. The Contractor, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the Contractor, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Contractor or any County Lobbyist or County Lobbying firm retained by the Contractor to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the County may in its sole discretion, immediately terminate or suspend this Contract.

17. MOST FAVORED PUBLIC ENTITY: If the Contractor's prices decline, or should the Contractor at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to the County.

18. ADDITIONAL PROVISIONS: Attached hereto and incorporated herein by reference, is a document labeled ADDITIONAL PROVISIONS, of which the terms and conditions therein contained are part of this Contract.

19. CONSTRUCTION: To the extent there are any rights, duties, obligations, or responsibilities enumerated in the recitals or otherwise in this Contract, they shall be deemed a part of the operative provisions of this Contract and are fully binding upon the parties.

20. CONFLICT OF TERMS: To the extent that there exists any conflict or inconsistency between the language of this Contract (including its ADDITIONAL PROVISIONS) and that of any Exhibit(s), Attachment(s), and any documents incorporated herein by reference, the language found within this Contract shall govern and prevail.

21. CONTRACTOR'S OFFICES: Contractor's office is located at 11845 W. Olympic Boulevard, Suite 505, Los Angeles, California 90064. Contractor's business telephone number is (703) 387-5619, facsimile (FAX) number is (866) 630-9110, and electronic Mail (e-mail) address is phillip.cummings@gartner.com. Contractor shall notify County, in writing, of any changes made to their business address, business telephone number, FAX number and/or e-mail address as listed herein, or any other business address, business telephone number, FAX number and/or e-mail address used in the provision of services herein, at least ten (10) calendar days prior to the effective date(s) thereof.

22. NOTICES: Notices hereunder shall be in writing and may either be delivered personally or sent by registered or certified mail, return receipt

requested, postage prepaid, attention to the parties at the addresses listed below. Director is authorized to execute all notices or demands which are required or permitted by County under this Contract. Addresses and parties to be notified may be changed by providing at least ten (10) working days prior written notice to the other party.

A. Notices to County shall be addressed as follows:

- (1) Department of Public Health
Public Health Information System (PHIS)
5555 Ferguson Drive
Commerce, California 90022

Attention: David Cardenas, Project Director

- (2) Department of Public Health
Contracts and Grants Division
313 North Figueroa Street, 6th Floor-West
Los Angeles, California 90012

Attention: Division Chief

B. Notices to Contractor shall be addressed as follows:

- (1) Gartner, Inc.
11845 W. Olympic Boulevard, Suite 505
Los Angeles, California 90064

Attention: Phillip Cummings, Director,
Government Contracts

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ADDITIONAL PROVISIONS
GARTNER, INC.
CONSULTING SERVICES

23. ADMINISTRATION OF CONTRACT:

A. County's Director of Public Health or his/her authorized designee(s) (hereafter collectively "Director") shall have the authority to administer this Contract on behalf of County. Contractor agrees to extend to Director the right to review and monitor Contractor's programs, policies, procedures, and financial and/or other records, and to inspect its facilities for contractual compliance at any reasonable time.

B. Approval of Contractor's Staff: County has the absolute right to approve or disapprove all of the Contractor's staff performing work hereunder and any proposed changes in the Contractor's staff, including, but not limited to, the contractor's Project Manager.

C. Contractor's Staff Identification: All of Contractor's employees assigned to County facilities are required to have a County Identification (ID) badge on their person and visible at all times. Contractor bears all expense related to the badges.

D. Background and Security Investigations: Each of Contractor's staff performing services under this Contract who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a

condition of beginning and continuing to perform services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of the Contractor, regardless if the member of Contractor's staff passes or fails the background investigation. County shall perform the background check and bill Contractor for the cost.

If a member of Contractor's staff who is in a designated sensitive position does not obtain work clearance through the criminal history background review, they may not be placed and/or assigned within the Department of Public Health. During the term of the Contract, the Department may receive subsequent criminal information. If this subsequent information constitutes a job nexus, the Contractor shall immediately remove staff from performing services under this Contract and replace such staff within fifteen (15) days of removal or within an agreed upon time with the County. Pursuant to an agreement with the Federal Department of Justice, the County will not provide to Contractor nor to Contractor's staff any information obtained through the County's criminal history review.

Disqualification of any member of Contractor's staff pursuant to this section shall not relieve Contractor of its obligation to complete all work in accordance with the terms and conditions of this Contract.

24. ASSIGNMENT AND DELEGATION:

A. Contractor shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this sub-paragraph, County consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by County to any approved delegate or assignee on any claim under this Contract shall be deductible, at County's sole discretion, against the claims, which Contractor may have against County.

B. Shareholders, partners, members, or other equity holders of Contractor may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Contractor to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this Contract.

C. Any assumption, assignment, delegation, or takeover of any of the Contractor's duties, responsibilities, obligations, or performance of same by any entity other than Contractor, whether through assignment, subcontract,

delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could pursue in the event of default by Contractor.

25. AUTHORIZATION WARRANTY: Contractor hereby represents and warrants that the person executing this Contract for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition, and obligation set forth in this Contract and that all requirements of Contractor have been fulfilled to provide such actual authority.

26. BUDGET REDUCTION: In the event that the Board adopts, in any fiscal year, a County Budget which provides for reductions in the salaries and benefits paid to the majority of County employees and imposes similar reductions with respect to County Contracts, the County reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the Contractor under this Contract shall also be reduced correspondingly. County's notice to Contractor regarding said reduction in payment obligation shall be provided within thirty (30) calendar days of the Board's approval of such actions. Except as set forth in the preceding sentence, Contractor shall continue to provide all of the services set forth in this Contract.

27. CONTRACTOR BUDGET AND EXPENDITURES REDUCTION

FLEXIBILITY: In order for County to maintain flexibility with regard to budget and expenditure reductions, Contractor agrees that Director may cancel this Contract, without cause, upon the giving of ten (10) calendar days written notice to Contractor. In the alternative to cancellation, Director may, consistent with federal, State, and/or County budget reductions, renegotiate the scope/description of work, maximum obligation, and budget of this Contract via a written amendment to this Contract.

28. COMPLAINTS: The Contractor shall develop, maintain, and operate procedures for receiving, investigating, and responding to complaints.

A. Within 30 business days after Contract effective date, the Contractor shall provide the County with the Contractor's policy for receiving, investigating, and responding to user complaints.

B. The policy shall include, but not be limited to, when and how new clients as well as current and recurring clients are to be informed of the procedures to file a complaint.

C. The client and/or his/her authorized representative shall receive a copy of the procedure.

D. The County will review the Contractor's policy and provide the Contractor with approval of said policy or with requested changes.

E. If the County requests changes in the Contractor's policy, the Contractor shall make such changes and resubmit the plan within 30 business days for County approval.

F. If, at any time, the Contractor wishes to change the Contractor's policy, the Contractor shall submit proposed changes to the County for approval before implementation.

G. The Contractor shall preliminarily investigate all complaints and notify the County's Project Manager of the status of the investigation within 15 business days of receiving the complaint.

H. When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.

I. Copies of all written responses shall be sent to the County's Project Manager within 3 business days of mailing to the complainant.

29. COMPLIANCE WITH APPLICABLE LAW:

A. In the performance of this Contract, Contractor shall comply with all applicable federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference. To the extent that there is any conflict between federal and State or local laws, the former shall prevail.

B. Contractor shall indemnify, defend and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or

professional fees, arising from, connected with, or related to any failure by Contractor, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Contractor's indemnification obligations under this Paragraph shall be conducted by Contractor and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole costs and expense, except that in the event Contractor fails to provide County with a full and adequate defense, as determined by county in its sole judgment, County shall be entitled to retain its own counsel, including limitation, County Counsel, and reimbursement from Contractor for all such costs and expenses incurred by County in doing so. Contractor shall not have the right to enter into settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

30. COMPLIANCE WITH CIVIL RIGHTS LAW: The Contractor hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under

any project, program, or activity supported by this Contract. The Contractor shall comply with Exhibit D – Contractor's EEO Certification.

31. COMPLIANCE WITH THE COUNTY'S JURY SERVICE PROGRAM:

A. Jury Service Program: This Contract is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is available on the internet at <http://publichealth.lacounty.gov/cg/index.htm>

B. Written Employee Jury Service Policy:

(1) Unless the Contractor has demonstrated to the County's satisfaction either that the Contractor is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that the Contractor qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), the Contractor shall have and adhere to a written policy that provides that its Employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the Employee's regular pay the fees received for jury service.

(2) For purposes of this sub-paragraph, "Contractor" means a person, partnership, corporation or other entity which has a contract with

the County or a subcontract with a County Contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts. "Employee" means any California resident who is a full-time employee of the Contractor.

"Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If the Contractor uses any Subcontractor to perform services for the County under the Contract, the Subcontractor shall also be subject to the provisions of this sub-paragraph. The provisions of this sub-paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the Contract.

(3) If the Contractor is not required to comply with the Jury Service Program when the Contract commences, the Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and the Contractor shall immediately notify the County if the Contractor at any time either comes within the Jury Service Program's definition of "Contractor" or if the Contractor no longer qualifies for an exception to the Jury Service

Program. In either event, the Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the Contract and at its sole discretion, that the Contractor demonstrate, to the County's satisfaction that the Contractor either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that the Contractor continues to qualify for an exception to the Program.

(4) Contractor's violation of this sub-paragraph of the Contract may constitute a material breach of the Contract. In the event of such material breach, County may, at its sole discretion, terminate the Contract and/or bar the Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

32. CONFLICT OF INTEREST:

A. No County employee whose position with the County enables such employee to influence the award of this Contract or any competing Contract, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Contractor or have any other direct or indirect financial interest in this Contract. No officer or employee of the Contractor who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

B. The Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Contract. The Contractor warrants that it is not now aware of any facts that create a conflict of interest. If the Contractor hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this sub-paragraph shall be a material breach of this Contract.

33. CONSIDERATION OF HIRING GAIN/GROW PROGRAM PARTICIPANTS:

A. Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Contractor.

B. In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

34. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

A. Responsible Contractor: A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible Contractors.

B. Chapter 2.202 of the County Code: The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in the Contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing Contracts the Contractor may have with the County.

C. Non-Responsible Contractor: The County may debar a Contractor if the Board of Supervisors finds, at its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County, (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which

negatively reflects on same, (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

D. Contractor Hearing Board: If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

E. The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify,

deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

G. If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interest of the County.

H. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for

review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

I. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

J. Subcontractors of Contractor: These terms shall also apply to Subcontractors of County Contractors.

35. CONTRACTOR'S ACKNOWLEDGEMENT OF COUNTY'S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW: The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County's policy to encourage all County Contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster in a prominent position at the Contractor's place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The County's Department of Children and Family Services will supply the Contractor with the poster to be used. Information on how to receive the poster can be found on the Internet at www.babysafela.org.

36. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM:

A. The Contractor acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through Contracts are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

B. As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Contractor's duty under this Contract to comply with all applicable provisions of law, the Contractor warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

37. COUNTY'S QUALITY ASSURANCE PLAN: County or its agent will evaluate Contractor's performance under this Contract on not less than an annual basis. Such evaluation will include assessing Contractor's compliance with all Contract terms and performance standards. Contractor deficiencies which County determines are

severe or continuing and that may place performance of this Contract in jeopardy if not corrected will be reported to the Board of Supervisors. The report will include improvement/corrective action measures taken by County and Contractor. If improvement does not occur consistent with the corrective action measures, County may terminate this Contract or impose other penalties as specified in this Contract.

The County maintains databases that track/monitor contractor performance history. Information entered into such databases maybe used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

38. SERVICE DELIVERY SITE - MAINTENANCE STANDARDS: Contractor shall assure that the locations where services are provided under provisions of this Contract are operated at all times in accordance with County community standards with regard to property maintenance and repair, graffiti abatement, refuse removal, fire safety, landscaping, and in full compliance with all applicable local laws, ordinances, and regulations relating to the property. County's periodic monitoring visits to Contractor's facilities shall include a review of compliance with the provisions of this Paragraph.

39. RULES AND REGULATIONS: During the time that Contractor's personnel are at County Facilities such persons shall be subject to the rules and regulations of such County Facility. It is the responsibility of Contractor to acquaint persons who are to provide services hereunder with such rules and regulations. Contractor shall immediately and permanently withdraw any of its personnel from the provision of services hereunder upon receipt of oral or written notice from Director, that (1) such

person has violated said rules or regulations, or (2) such person's actions, while on County premises, indicate that such person may do harm to County patients, staff, or other individuals.

40. DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS:

A. The Contractor shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by the Contractor or employees or agents of the Contractor. Such repairs shall be made immediately after the Contractor has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

B. If the Contractor fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by the Contractor by cash payment upon demand.

41. EMPLOYMENT ELIGIBILITY VERIFICATION:

A. The Contractor warrants that it fully complies with all federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in federal and State statutes and regulations. The Contractor shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended.

The Contractor shall retain all such documentation for all covered employees for the period prescribed by law.

B. The Contractor shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Contractor or the County or both in connection with any alleged violation of any federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

42. FACSIMILE REPRESENTATIONS: The County and the Contractor hereby agree to accept facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on time-sensitive Amendments prepared pursuant to the ALTERATION OF TERMS/AMENDMENTS Paragraph of this Contract, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this Contract. The facsimile transmission of such documents must be followed by subsequent (non-facsimile) transmission of "original" versions of such documents within five working days.

43. FAIR LABOR STANDARDS: The Contractor shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited

to, the Federal Fair Labor Standards Act, for work performed by the Contractor's employees for which the County may be found jointly or solely liable.

44. FISCAL DISCLOSURE: Contractor shall prepare and submit to Director, within ten (10) calendar days following execution of this Contract a statement, executed by Contractor's duly constituted officers, containing the following information: (1) A detailed statement listing all sources of funding to Contractor including private contributions. The statement shall include the nature of the funding, services to be provided, total dollar amount, and period of time of such funding; and (2) If during the term of this Contract, the source(s) of Contractor's funding changes, Contractor shall promptly notify Director in writing, detailing such changes.

45. CONTRACTOR PERFORMANCE DURING CIVIL UNREST OR DISASTER: Contractor recognizes that County provides essential services to the residents of the communities they serve, and that these services are of particular importance at the time of a riot, insurrection, civil unrest, natural disaster, or similar event. Notwithstanding any other provision of this Contract, full performance by Contractor during any riot, strike, insurrection, civil unrest, natural disaster, or similar event is not excused if such performance remains physically possible. Failure to comply with this requirement shall be considered a material breach by Contractor for which Director may suspend or County may immediately terminate this Contract.

46. GOVERNING LAW, JURISDICTION, AND VENUE: This Contract shall be governed by, and construed in accordance with, the laws of the State of California. The Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of

California for all purposes regarding this Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

47. INDEPENDENT CONTRACTOR STATUS:

A. This Contract is by and between the County and the Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Contractor. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

B. The Contractor shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Contractor.

C. The Contractor understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the Contractor and not employees of the County. The Contractor shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising

from or connected with any work performed by or on behalf of the Contractor pursuant to this Contract.

D. The Contractor shall adhere to the provisions stated in the CONFIDENTIALITY Paragraph of this Contract.

48. LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, AND CERTIFICATES: Contractor shall obtain and maintain during the term of this Contract, all appropriate licenses, permits, registrations, accreditations, and certificates required by federal, State, and local law for the operation of its business and for the provision of services hereunder. Contractor shall ensure that all of its officers, employees, and agents who perform services hereunder obtain and maintain in effect during the term of this Contract, all licenses, permits, registrations, accreditations, and certificates required by federal, State, and local law which are applicable to their performance hereunder. Contractor shall provide a copy of each license, permit, registration, accreditation, and certificate upon request of County's Department of Public Health (DPH) - at any time during the term of this Contract.

49. NONDISCRIMINATION IN SERVICES:

A. Contractor shall not discriminate in the provision of services hereunder because of race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation, or condition of physical or mental disability, in accordance with requirements of federal and State laws, or in any manner on the basis of the client's/patient's sexual orientation. For the purpose of this Paragraph, discrimination in the provision of

services may include, but is not limited to, the following: denying any person any service or benefit or the availability of the facility; providing any service or benefit to any person which is not equivalent, or is provided in a non-equivalent manner, or at a non-equivalent time, from that provided to others; subjecting any person to segregation or separate treatment in any manner related to the receipt of any service; restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and treating any person differently from others in determining admission, enrollment quota, eligibility, membership, or any other requirements or conditions which persons must meet in order to be provided any service or benefit. Contractor shall take affirmative action to ensure that intended beneficiaries of this Contract are provided services without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation, condition of physical or mental disability, or sexual orientation.

B. Facility Access for handicapped must comply with the Rehabilitation Act of 1973, Section 504, where federal funds are involved, and the Americans with Disabilities Act. Contractor shall further establish and maintain written procedures under which any person, applying for or receiving services hereunder, may seek resolution from Contractor of a complaint with respect to any alleged discrimination in the provision of services by Contractor's personnel. Such procedures shall also include a provision whereby any such person, who is dissatisfied with Contractor's resolution of the matter, shall be

referred by Contractor to the Director, for the purpose of presenting his or her complaint of alleged discrimination. Such procedures shall also indicate that if such person is not satisfied with County's resolution or decision with respect to the complaint of alleged discrimination, he or she may appeal the matter to the State Department of Health Services' Affirmative Action Division. At the time any person applies for services under this Contract, he or she shall be advised by Contractor of these procedures, as identified hereinabove, shall be posted by Contractor in a conspicuous place, available and open to the public, in each of Contractor's facilities where services are provided hereunder.

50. NONDISCRIMINATION IN EMPLOYMENT:

A. Contractor certifies and agrees, pursuant to the Americans with Disabilities Act, the Rehabilitation Act of 1973, and all other federal and State laws, as they now exist or may hereafter be amended, that it shall not discriminate against any employee or applicant for employment because of, race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation or condition of physical or mental disability, or sexual orientation. Contractor shall take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation, condition of physical or mental disability, or sexual orientation in accordance with requirements of federal and State laws. Such action shall include, but

shall not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other form of compensation, and selection for training, including apprenticeship. Contractor shall post in conspicuous places in each of Contractor's facilities providing services hereunder, positions available and open to employees and applicants for employment, and notices setting forth the provision of this Paragraph.

B. Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants shall receive consideration for employment without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation, condition of physical or mental disability, or sexual orientation, in accordance with requirements of federal and State laws.

C. Contractor shall send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract of understanding a notice advising the labor union or workers' representative of Contractor's commitments under this Paragraph.

D. Contractor certifies and agrees that it shall deal with its subcontractors, bidders, or vendors without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation, condition of physical or mental disability, or sexual orientation, in accordance with requirements of federal and State laws.

E. Contractor shall allow federal, State, and County representatives, duly authorized by Director, access to its employment records during regular business hours in order to verify compliance with the anti-discrimination provision of this Paragraph. Contractor shall provide such other information and records as such representatives may require in order to verify compliance with the anti-discrimination provisions of this Paragraph.

F. If County finds that any provisions of the Paragraph have been violated, the same shall constitute a material breach of Contract upon which Director may suspend or County may determine to terminate this Contract. While County reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity commission that Contractor has violated Federal Equal Employment Opportunity Commission that Contractor has violated federal or State anti-discrimination laws shall constitute a finding by County that Contractor has violated the anti-discrimination provisions of this Contract.

G. The parties agree that in the event Contractor violates any of the anti-discrimination provisions of the Paragraph, County shall be entitled, at its option, to the sum of Five Hundred Dollars (\$500) pursuant to California Civil Code Section 1671 as liquidated damages in lieu of canceling, terminating, or suspending this Contract.

51. NON-EXCLUSIVITY: Nothing herein is intended nor shall be construed as creating any exclusive arrangement with the Contractor. This Contract shall not restrict the Department from acquiring similar, equal, or like goods and/or services from other entities or sources.

52. NOTICE OF DELAYS: Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

53. NOTICE OF DISPUTES: The Contractor shall bring to the attention of the County's Project Manager and/or County's Project Director any dispute between the County and the Contractor regarding the performance of services as stated in this Contract. If the County's Project Manager or County's Project Director is not able to resolve the dispute, the Director shall resolve it.

54. NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT: The Contractor shall notify its employees, and shall require each Subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

55. NOTICE TO EMPLOYEES REGARDING THE SAFELY SURRENDERED BABY LAW: The Contractor shall notify and provide to its employees, and shall require

each Subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at www.babysafela.org for printing purposes.

56. PROHIBITION AGAINST INDUCEMENT OR PERSUASION:

Notwithstanding the above, the Contractor and the County agree that, during the term of this Contract and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

57. PROHIBITION AGAINST PERFORMANCE OF SERVICES WHILE UNDER THE INFLUENCE: Contractor shall ensure that no employee or physician performs services while under the influence of any alcoholic beverage, medication, narcotic, or other substance that might impair his/her physical or mental performance.

58. PUBLIC RECORDS ACT:

A. Any documents submitted by the Contractor; all information obtained in connection with the County's right to audit and inspect the Contractor's documents, books, and accounting records pursuant to the RECORD RETENTION AND AUDITS Paragraph of this Contract; as well as those documents which were required to be submitted in response to the Request for Proposals (RFP) used in the solicitation process for this Contract, become the exclusive property of the County. All such documents become a matter of public

record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

B. In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "trade secret", "confidential", or "proprietary", the Contractor agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the Public Records Act.

59. PURCHASES:

A. Purchase Practices: Contractor shall fully comply with all federal, State, and County laws, ordinances, rules, regulations, manuals, guidelines, and directives, in acquiring all furniture, fixtures, equipment, materials, and supplies. Such items shall be acquired at the lowest possible price or cost if funding is provided for such purposes hereunder.

B. Proprietary Interest of County: In accordance with all applicable federal, State, and County laws, ordinances, rules, regulations, manuals, guidelines, and directives, County shall retain all proprietary interest, except for use during the term of this Contract, in all furniture, fixtures, equipment,

materials, and supplies, purchased or obtained by Contractor using any contract funds designated for such purpose. Upon the expiration or earlier termination of this Contract, the discontinuance of the business of Contractor, the failure of Contractor to comply with any of the provisions of this Contract, the bankruptcy of Contractor or its giving an assignment for the benefit of creditors, or the failure of Contractor to satisfy any judgment against it within thirty (30) calendar days of filing, County shall have the right to take immediate possession of all such furniture, removable fixtures, equipment, materials, and supplies, without any claim for reimbursement whatsoever on the part of Contractor. Contractor, in conjunction with County, shall attach identifying labels on all such property indicating the proprietary interest of County.

C. Inventory Records, Controls, and Reports: Contractor shall maintain accurate and complete inventory records and controls for all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any contract funds designated for such purpose. Annually, Contractor shall provide Director with an accurate and complete inventory report of all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds designated for such purpose.

D. Protection of Property in Contractor's Custody: Contractor shall maintain vigilance and take all reasonable precautions, to protect all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any contract funds designated for such purpose, against any damage or loss by fire,

burglary, theft, disappearance, vandalism, or misuse. Contractor shall contact Director, for instructions for disposition of any such property which is worn out or unusable.

E. Disposition of Property in Contractor's Custody: Upon the termination of the funding of any program covered by this Contract, or upon the expiration or earlier termination of this Contract, or at any other time that County may request, Contractor shall: (1) provide access to and render all necessary assistance for physical removal by Director or his authorized representatives of any or all furniture, fixtures, equipment, materials, and supplies, purchased or obtained using any County funds designated for such purpose, in the same condition as such property was received by Contractor, reasonable wear and tear expected; or (2) at Director's option, deliver any or all items of such property to a location designated by Director. Any disposition, settlement, or adjustment connected with such property shall be in accordance with all applicable federal, State, and County laws, ordinances, rules, regulations, manuals, guidelines, and directives.

60. REAL PROPERTY AND BUSINESS OWNERSHIP DISCLOSURE:

A. Real Property Disclosure: If Contractor is renting, leasing, or subleasing, or is planning to rent, lease, or sublease, any real property where persons are to receive services hereunder, Contractor shall prepare and submit to Director within ten (10) calendar days following execution of this Contract, an

affidavit sworn to and executed by Contractor's duly constituted officers, containing the following information:

(1) The location by street address and city of any such real property.

(2) The fair market value of any such real property as such value is reflected on the most recently issued County Tax Collector's tax bill.

(3) A detailed description of all existing and pending rental agreements, leases, and subleases with respect to any such real property, such description to include: the term (duration) of such rental agreement, lease or sublease; the amount of monetary consideration to be paid to the lessor or sublessor over the term of the rental agreement, lease or sublease; the type and dollar value of any other consideration to be paid to the lessor or sublessor over the term of the rental agreement, lease, or sublease; the full names and addresses of all parties who stand in the position of lessor or sublessor; if the lessor or sublessor is a private corporation and its shares are not publicly traded (on a stock exchange or over-the-counter), a listing by full names of all officers, directors, and stockholders thereof; and if the lessor or sublessor is a partnership, a listing by full names of all general and limited partners thereof.

(4) A listing by full names of all Contractor's officers, directors, members of its advisory boards, members of its staff and consultants, who have any family relationships by marriage or blood with a lessor or

sublessor referred to in sub-paragraph (3) immediately above, or who have any financial interest in such lessor's or sublessor's business, or both. If such lessor or sublessor is a corporation or partnership, such listing shall also include the full names of all Contractor's officers, members of its advisory boards, members of its staff and consultants, who have any family relationship, by marriage or blood, to an officer, director, or stockholder of the corporation, or to any partner of the partnership. In preparing the latter listing, Contractor shall also indicate the names (s) of the officer(s), director(s), stockholder(s), or partner(s), as appropriate, and the family relationship which exists between such person(s) and Contractor's representatives listed.

(5) If a facility of Contractor is rented or leased from a parent organization or individual who is a common owner (as defined by Federal Health Insurance Manual 15, Chapter 10, Paragraph 1002.2), Contractor shall only charge the program for costs of ownership. Costs of ownership shall include depreciation, interest, and applicable taxes.

True and correct copies of all written rental agreements, leases, and subleases with respect to any such real property shall be appended to such affidavit and made a part thereof.

B. Business Ownership Disclosure: Contractor shall prepare and submit to Director, upon request, a detailed statement, executed by Contractor's duly constituted officers, indicating whether Contractor totally or

partially owns any other business organization that will be providing services, supplies, materials, or equipment to Contractor or in any manner does business with Contractor under this Contract. If during the term of this Contract the Contractor's ownership of other businesses dealing with Contractor under this Contract changes, Contractor shall notify Director in writing of such changes within thirty (30) calendar days prior to the effective date thereof.

61. REPORTS: Contractor shall make reports as required by County concerning Contractor's activities and operations as they relate to this Contract and the provision of services hereunder. In no event, however may County require such reports unless Director has provided Contractor with at least thirty (30) calendar days' prior written notification thereof. Director's notification shall provide Contractor with a written explanation of the procedures for reporting the information required.

62. RECYCLED CONTENT BOND PAPER: Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at County landfills, Contractor agrees to use recycled-content bond paper to the maximum extent possible in connection with services to be performed by Contractor under this Contract.

63. SOLICITATION OF BIDS OR PROPOSALS: Contractor acknowledges that County, prior to expiration or earlier termination of this Contract, may exercise its right to invite bids or request proposals for the continued provision of the services delivered or contemplated under this Contract. County and its Department of Public Health (DPH) shall make the determination to re-solicit bids or request proposals in accordance with applicable County policies.

Contractor acknowledges that County may enter into a contract for the future provision of services, based upon the bids or proposals received, with a provider or providers other than Contractor. Further, Contractor acknowledges that it obtains no greater right to be selected through any future invitation for bids or request for proposals by virtue of its present status as Contractor.

64. STAFFING AND TRAINING/STAFF DEVELOPMENT: Contractor shall operate continuously throughout the term of this Contract with at least the minimum number of staff required by County. Such personnel shall be qualified in accordance with standards established by County. In addition, Contractor shall comply with any additional staffing requirements which may be included in the Exhibits attached hereto.

During the term of this Contract, Contractor shall have available and shall provide upon request to authorized representatives of County, a list of persons by name, title, professional degree, salary, and experience who are providing services hereunder. Contractor also shall indicate on such list which persons are appropriately qualified to perform services hereunder. If an executive director, program director, or supervisory position becomes vacant during the term of this Contract, Contractor shall, prior to filling said vacancy, notify County's Director. Contractor shall provide the above set forth required information to County's Director regarding any candidate prior to any appointment. Contractor shall institute and maintain appropriate supervision of all persons providing services pursuant to this Contract.

Contractor shall institute and maintain a training/staff development program pertaining to those services described in the Exhibit(s) attached hereto. Appropriate

training/staff development shall be provided for treatment, administrative, and support personnel. Participation of treatment and support personnel in training/staff development should include in-service activities. Such activities shall be planned and scheduled in advance; and shall be conducted on a continuing basis. Contractor shall develop and institute a plan for an annual evaluation of such training/staff development program.

65. SUBCONTRACTING:

A. For purposes of this Contract, subcontracts must be approved in advance in writing by Director or his/her authorized designee(s). Contractor's request to Director for approval of a subcontract shall include:

(1) Identification of the proposed subcontractor, (who shall be licensed as appropriate for provision of subcontract services), and an explanation of why and how the proposed subcontractor was selected, including the degree of competition involved.

(2) A detailed description of the services to be provided by the subcontract.

(3) The proposed subcontract amount and manner of compensation, if any, together with Contractor's cost or price analysis thereof.

(4) A copy of the proposed subcontract. (Any later modification of such subcontract shall take the form of a formally written subcontract

amendment which also must be approved in writing by the Director in the same manner as described above, before such amendment is effective.)

(5) Any other information and/or certification(s) requested by Director.

B. Director shall review Contractor's request to subcontract and shall determine, in his/her sole discretion, whether or not to consent to such a request on a case-by-case basis.

C. Subcontracts shall be made in the name of Contractor and shall not bind nor purport to bind County. The making of subcontracts hereunder shall not relieve Contractor of any requirement under this Contract, including, but not limited to, the duty to properly supervise and coordinate the work of subcontractors. Further, Director's approval of any subcontract shall also not be construed to limit in any way, any of County's rights or remedies contained in this Contract.

D. In the event that Director consents to any subcontracting, Contractor shall be solely liable and responsible for any and all payments or other compensation to all subcontractors, and their officers, employees, and agents.

E. In the event that Director consents to any subcontracting, such consent shall be provisional, and shall not waive the County's right to later withdraw that consent when such action is deemed by County to be in its best interest. County shall not be liable or responsible in any way to Contractor, or

any subcontractor, for any liability, damages, costs, or expenses, arising from or related to County's exercising of such a right.

F. The County's consent to subcontract shall not waive the County's right to prior and continuing approval of any and all personnel, including Subcontractor employees, providing services under this Contract. The Contractor is responsible to notify its Subcontractors of this County right.

G. Subcontracts shall contain the following provision: "This contract is a subcontract under the terms of a prime contract with the County of Los Angeles and shall be subject to all of the provisions of such prime contract." Further, Contractor shall also reflect as subcontractor requirements in the subcontract form all of the requirements of the INDEMNIFICATION, GENERAL PROVISIONS FOR ALL INSURANCE COVERAGES, INSURANCE COVERAGE REQUIREMENTS, COMPLIANCE WITH APPLICABLE LAW, CONFLICT OF TERMS and ALTERATION OF TERMS Paragraphs of the body of this Contract, and all of the provisions of the ADDITIONAL PROVISIONS attachment.

Contractor shall deliver to Director a fully executed copy of each subcontract entered into by Contractor, as it pertains to the provision of services under this Contract, on or immediately after the effective date of the subcontract, but in no event, later than the date and any services are to be performed under the subcontract.

H. The Contractor shall obtain certificates of insurance which establish that the Subcontractor maintains all the programs of insurance required by the County from each approved Subcontractor.

I. Director is hereby authorized to act for and on behalf of County pursuant to this Paragraph, including but not limited to, consenting to any subcontracting.

J. The Contractor shall indemnify and hold the County harmless with respect to the activities of each and every Subcontractor in the same manner and to the same degree as if such Subcontractor(s) were the Contractor employees.

K. The Contractor shall remain fully responsible for all performances required of it under this Contract, including those that the Contractor has determined to subcontract, notwithstanding the County's approval of the Contractor's proposed subcontract.

66. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM:

Failure of the Contractor to maintain compliance with the requirements set forth in this Additional Provisions, Paragraph 36 - Contractor's Warranty of Adherence to County's Child Support Compliance Program, herein, shall constitute default under this Contract. Without limiting the rights and remedies available to the County under any other provision of this Contract, failure of the Contractor to cure such default within ninety (90) calendar days of written notice shall be grounds upon which the County may

terminate this Contract pursuant to this Additional Provisions, Paragraph 68, TERMINATION FOR DEFAULT, herein, and pursue debarment of the Contractor, pursuant to County Code Chapter 2.202.

67. TERMINATION FOR CONVENIENCE: The performance of services under this Contract may be terminated, with or without cause, in whole or in part, from time to time when such action is deemed by County to be in its best interest. Termination of services hereunder shall be effected by delivery to Contractor of a thirty (30) calendar day advance Notice of Termination specifying the extent to which performance of services under this Contract is terminated and the date upon which such termination becomes effective.

After receipt of a Notice of Termination and except as otherwise directed by County, Contractor shall:

- A. Stop services under this Contract on the date and to the extent specified in such Notice of Termination; and
- B. Complete performance of such part of the services as shall not have been terminated by such Notice of Termination.

Further, after receipt of a Notice of Termination, Contractor shall submit to County, in the form and with the certifications as may be prescribed by County, its termination claim and invoice. Such claim and invoice shall be submitted promptly, but not later than sixty (60) calendar days from the effective date of termination. Upon failure of Contractor to submit its termination claim and invoice within the time allowed, County may determine on the basis of

information available to County, the amount, if any, due to Contractor in respect to the termination, and such determination shall be final. After such determination is made, County shall pay Contractor the amount so determined.

Contractor for a period of five (5) years after final settlement under this Contract, in accordance with base Contract, Paragraph 15, RECORD RETENTION AND AUDITS, shall retain and make available all its books, documents, records, or other evidence, bearing on the costs and expenses of Contractor under this Contract in respect to the termination of services hereunder. All such books, records, documents, or other evidence shall be retained by Contractor at a location in Los Angeles County and shall be made available within ten (10) calendar days of prior written notice during County's normal business hours to representatives of County for purposes of inspection or audit.

68. TERMINATION FOR DEFAULT: County may, by written notice of default to Contractor, terminate this Contract immediately in any one of the following circumstances:

A. If, as determined in the sole judgment of County, Contractor fails to perform any services within the times specified in this Contract or any extension thereof as County may authorize in writing; or

B. If, as determined in the sole judgment of County, Contractor fails to perform and/or comply with any of the other provisions of this Contract, or so fails to make progress as to endanger performance of this Contract in

accordance with its terms, and in either of these two (2) circumstances, does not cure such failure within a period of five (5) calendar days (or such longer period as County may authorize in writing) after receipt of notice from County specifying such failure.

In the event that County terminates this Contract as provided hereinabove, County may procure, upon such terms and in such manner as County may deem appropriate, services similar to those so terminated, and Contractor shall be liable to County for any reasonable excess costs incurred by County for such similar services.

If, after the County has given notice of termination under the provisions of this paragraph, it is determined by the County that the Contractor was not in default under the provisions of this paragraph, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to this Additional Provisions, Paragraph 46, TERMINATION FOR CONVENIENCE.

The rights and remedies of County provided in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

69. TERMINATION FOR GRATUITIES AND/OR IMPROPER

CONSIDERATION: County may, by written notice to Contractor, immediately terminate Contractor's right to proceed under this Contract, if it is found that gratuities or consideration in any form, were offered or given by Contractor, either directly or through an intermediary, to any County officer, employee, or agent, with the intent of securing the Contract or securing favorable treatment with respect to the award, amendment, or

extension of the Contract, or making of any determinations with respect to the Contractor's performance pursuant to the Contract. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could in the event of default by Contractor.

Contractor shall immediately report any attempt by a County officer, employee, or agent, to solicit such improper gratuity or consideration. The report shall be made either to the County manager charged with the supervision of the employee or agent, or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

(Among other items, such improper gratuities and considerations may take the form of cash, discounts, services, the provision of travel or entertainment, or other tangible gifts.)

70. TERMINATION FOR INSOLVENCY: County may terminate this Contract immediately for default in the event of the occurrence of any of the following:

A. Insolvency of Contractor. Contractor shall be deemed to be insolvent if it has ceased to pay its debts at least sixty (60) calendar days in the ordinary course of business or cannot pay its debts as they become due, whether Contractor has committed an act of bankruptcy or not, and whether Contractor is insolvent within the meaning of the Federal Bankruptcy Law or not;

B. The filing of a voluntary or involuntary petition under the federal Bankruptcy Law;

C. The appointment of a Receiver or Trustee for Contractor;

D. The execution by Contractor of an assignment for the benefit of creditors.

In the event that County terminates this Contract as provided hereinabove, County may procure, upon such terms and in such manner as County may deem appropriate, services similar to those so terminated, and Contractor shall be liable to those so terminated, and Contractor shall be liable to County for any reasonable excess costs incurred by County, as determined by County, for such similar services. The rights and remedies of County provided in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

71. TERMINATION FOR NON-APPROPRIATION OF FUNDS: Notwithstanding any other provision of this Contract, the County shall not be obligated for the Contractor's performance hereunder or by any provision of this Contract during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this Contract in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify the Contractor in writing of any such non-allocation of funds at the earliest possible date.

72. NO INTENT TO CREATE A THIRD PARTY BENEFICIARY CONTRACT:

Notwithstanding any other provision of this Contract, the parties do not in any way intend that any person shall acquire any rights as a third party beneficiary under this Contract.

73. UNLAWFUL SOLICITATION: Contractor shall require all of its employees performing services hereunder to acknowledge in writing understanding of and agreement to comply with the provisions of Article 9 of Chapter 4 of Division 3 (commencing with Section 6150) of the Business and Professions Code of the State of California (i.e., State Bar Act provisions regarding unlawful solicitation as a runner or capper for attorneys) and shall take positive and affirmative steps in its performance hereunder to ensure that there is no violation of such provisions by its employees. Contractor shall utilize the attorney referral services of all those bar associations within Los Angeles County that have such a service.

74. VALIDITY: If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

75. WAIVER: No waiver by the County of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this sub-paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

76. WARRANTY AGAINST CONTINGENT FEES:

A. The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or

understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business.

B. For breach of this warranty, the County shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

77. WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED

PROPERTY TAX REDUCTION PROGRAM: Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this Contract will maintain compliance, with Los Angeles County Code Chapter 2.206.

78. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM: Failure of Contractor to maintain compliance with the requirements set forth in this Additional Provision, Paragraph 56, WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM, herein, shall

constitute default under this Contract. Without limiting the rights and remedies available to County under any other provision of this Contract, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this Contract and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Contract to be subscribed by its Director of Public Health, and Contractor has caused this Contract to be subscribed in its behalf by its duly authorized officer, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Jonathan E. Fielding, M.D., M.P.H.
Director and Health Officer

GARTNER, INC.
Contractor

By _____
Signature

Printed Name

Title _____
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL
JOHN F. KRATTLI
County Counsel

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Public Health

By _____
Patricia Gibson, Chief
Contracts and Grants Division

#02826

EXHIBIT A
STATEMENT OF WORK
Date of Contract Execution – May 31, 2014

DESCRIPTION: Under this contract Gartner shall conduct an assessment of DPH current information systems that will provide critical information for strategic planning and implementation of an electronic health record (EHR) system. DPH will assign a point of contact that will coordinate Gartner's work efforts and assume responsibilities for supporting key project logistics including:

- Access to required documentation;
- Identification of stakeholder participants for interviews;
- Space for on-site interviews, workshops, working sessions and stakeholder briefings;
- Identification of participants for identified workshops and stakeholder briefings;
- Scheduling and invitations for identified workshops, working sessions and stakeholder briefings; and
- Room reservations for the identified workshop, working sessions and stakeholder briefings including projector and flip charts

Gartner Project Team Organization

Project Team Organization

The Consulting team will be actively engaged and will be on-site for data gathering, workshops, and presentation.

Gartner Consulting will leverage Gartner Research on an as-needed basis. The consulting team has full access to published Gartner Research and access to Research Analysts who will provide information insight and analysis to the consulting team.

Roles and Responsibilities

Gartner has created a core project team who will focus on delivering a quality assessment with actionable roadmap for DPH CMS.

In addition, will utilize subject matter experts from Gartner's Consulting or Research organization who will be targeted at specific technical areas necessary for the EHR Project. All of our consultants are senior professionals with extensive background in IT and all aspects of project management and implementations.

The following is a summary of the project team, title, role and responsibilities:

Table 1. Project Team Roles and Responsibilities

Gartner Associate	Role	Responsibilities
TBA	Engagement Manager	<ul style="list-style-type: none">■ Ensure Gartner activities support DPH goals■ Will provide high-level oversight to the project and become more heavily involved should any issue resolution be necessary■ Provide quality assurance review of Gartner project plan and Gartner deliverables throughout the engagement
TBA	Project Manager	<ul style="list-style-type: none">■ Shall be responsible for the day-to-day management of

EXHIBIT A
STATEMENT OF WORK
Date of Contract Execution – May 31, 2014

Gartner Associate	Role	Responsibilities
		project initiatives ■ Ensure project deliverables are completed on time and meet the Gartner quality standards ■ Act as the primary point of contact for the Gartner team ■ Participate in facilitating the data collection and workshop(s) ■ Shall work closely with DPH to ensure Gartner is meeting its needs
TBA	Consultant	■ Shall provide day-to-day consulting support for project tasks including the data collection, assessing alternatives, and developing a roadmap
TBA	Research Analyst	■ Shall support the core project team by providing a context-sensitive perspective to issues specific to DPH based on Gartner industry-leading research ■ Participate in analysis and comparisons, and review deliverables as needed

Gartner is committed to the success of DPH. The core resource pool projected for the duration of the project is described in the chart and table above. However, should there be a need to make changes, DPH will have the right to review and approve any resource changes that Gartner needs.

Assumptions

The deliverables and schedule in this Statement of Work are based on the following assumptions:

- Gartner will assign senior level staff to this project who have depth in Healthcare and Health and Human Services
- Gartner's work will be done both on-site and off-site
- Gartner will use focused interview processes and conduct interviews individual or in groups and in-person or by audio/Web conference
- DPH will provide office space for a maximum of three consultants when project staff are on-site including access to Internet and to a printer and copying capabilities
- DPH will assign a point of contact that will coordinate Gartner's work efforts and assume responsibilities for supporting key project logistics including:
 - Access to required documentation
 - Identification of stakeholder participants for interviews
 - Space for on-site interviews, workshops, working sessions and stakeholder briefings
 - Identification of participants for identified workshops and stakeholder briefings
 - Scheduling and invitations for identified workshops, working sessions and stakeholder briefings

EXHIBIT A
STATEMENT OF WORK
Date of Contract Execution – May 31, 2014

- Room reservations for the identified workshop, working sessions and stakeholder briefings including projector and flip charts
- The analysis of CMS' EHR needs will be limited to occupational and physical therapy services provided by CMS' Medical Therapy Program
- The analysis of PHL's requirements will be limited to a high level assessment of the current use of Sunquest and the potential ability to meet these needs with solutions that may be considered by DPH
- DPH and Gartner will both respectively designate a single point of contact who will deliver draft and final deliverables (from Gartner), and provide feedback on drafts, and accept final deliverables (for DPH)
- Any requests for additional information (beyond the details described in the tasks above) that are made by DPH will be considered a change in scope for this contract and will be handled through a contract amendment or a change notice, as applicable, that is mutually agreed upon.
- All deliverables will be developed using Microsoft products (for example, Project, Excel, Word and PowerPoint)

EXHIBIT B
SCOPE OF WORK
Date of Contract Execution – May 31, 2014

The Contractor shall achieve the following goals and objectives. Objectives are achieved by following the work plan, composed of implementation and evaluation activities. Activities are to be completed according to the stated timelines and are to be documented as specified.

Goal No. 1: To support CHS' objective of retiring the current 30-year old legacy registration and scheduling system (P-HIS) and replace it with a modern, full-featured Electronic Health Record (EHR) solution.

Goal No. 2: DPH requires an expedited timeline for the acquisition and implementation of a new EHR solution to enable billing and cost recovery, position CHS to be a provider of choice for relevant specialized care, provide tools for managing care quality, provide data for outcomes analysis, support the exchange of clinical data with the Department of Health Services (DHS) and health plans, and adapt to system changes being made by DHS with respect to the implementation of the Cerner EHR.

Goal No. 3: The Public Health Laboratory (PHL) and the Children's Medical Services (CMS) Programs have expressed interest in an EHR solution and DPH is interested in exploring their needs as they relate to EHR.

MEASURABLE OBJECTIVE(S)	IMPLEMENTATION ACTIVITIES	TIMELINE	METHOD(S) OF EVALUATING OBJECTIVE(S) AND DOCUMENTATION
Project Initiation and Planning 1.0 Work closely with DPH to set the foundation for a successful engagement that is delivered on time, within budget and meets DPH objectives.	1.1 Conduct a kickoff meeting with DPH to introduce the project teams and develop initial project plans and schedules. 1.2 Identify key stakeholders and interviewees. 1.3 Identify key relevant documentation.	Date of Contract Execution (DCE) plus 2 weeks	1.1 Review and Acceptance of Kick Off Presentation. 1.2 Review and Acceptance of Detailed project plan. 1.3 Review and Acceptance of Project management artifacts (e.g. schedule for regular status and meetings and initial weekly status report).
Data Collection 2.0 Gather data and input to drive the analysis, findings, recommendations and roadmap.	2.1 Gartner will determine key drivers, identify high level requirements, identify available DPH assets (e.g. systems, information, infrastructure,	DCE plus 3-4 weeks	2.1 Review and Acceptance of Strategy and Direction workshop materials

EXHIBIT B
SCOPE OF WORK
Date of Contract Execution – May 31, 2014

	<p>contracts, resources, and processes) by:</p> <ul style="list-style-type: none"> • Conducting 14-17 group and/or individual stakeholder interviews within CHS, PHL and CMS • Gathering and reviewing available relevant documentation such as: <ul style="list-style-type: none"> ○ Architecture diagrams ○ Existing vendor agreements ○ Issue and trouble logs ○ Process diagrams or descriptions ○ Application and project portfolios ○ Relevant financial and budget information 		
<p>Confirm Strategy and Direction</p> <p>3.0 Obtain clarity on DPH strategy and operational requirements to meet CHS' business needs as well as the EHR needs of PHL and CMS.</p>	<p>3.1 Develop a draft document which describes the context of the EHR, including:</p> <ul style="list-style-type: none"> • Overall mission and strategy for CHS and for the CHS HER • High level EHR needs for PHL and CMS • Existing strengths and assets which can be leveraged • Constraints and barriers to overcome • Desired high level quantitative and qualitative benefits desired • High level requirements • Overall scope including clinical documentation, clinical decision support, and ancillaries such as Lab, RIS, PACS, Pharmacy, etc. • Diagram and descriptions of current systems, 	<p>DCE plus 4-5 weeks</p>	<p>3.1 Review and Acceptance of the Draft and Final Strategy and Direction Reports</p>

EXHIBIT B
SCOPE OF WORK
Date of Contract Execution – May 31, 2014

	<p>information assets, and information flows</p> <p>3.2 Present this draft document in an interactive workshop with key DPH stakeholders to confirm the current state and direction</p> <p>3.3 Conduct additional research and analysis to address issues and question raised in the work shop</p> <p>3.4 Create a final Strategy and Direction report which includes the feedback from the workshop and any additional research and analysis.</p>		
<p>Assess Alternatives</p> <p>4.0 Determine the recommended approach for DPH to address its EHR requirements.</p>	<p>4.1 Develop an evaluation framework which will include DPH key decision criteria (e.g. time to market, acquisition and operating cost, ability to generate revenue, ability to leverage existing assets, increased service to the residents of LA County, DPH capability to pursue the alternative)</p> <p>4.2 Review the evaluation framework with DPH stakeholders and refine based on feedback received</p> <p>4.3 Identify and document a range of alternatives, including at least:</p> <ul style="list-style-type: none"> • Maintaining current solutions and building on the status quo • Custom development of net new solutions • Acquiring and implementing open source solutions, including the Web Infrastructure for Treatment Services (WITS) • Utilizing the DHS contract with Cerner 	<p>DCE plus 5-6 weeks</p>	<p>4.1 Review and Acceptance of the Evaluation framework</p> <p>4.2 Review and Acceptance of the Draft and Final Alternative Analysis Reports including the recommended approach</p>

EXHIBIT B
 SCOPE OF WORK
 Date of Contract Execution – May 31, 2014

	<ul style="list-style-type: none"> Utilizing the DHS Cerner implementation Acquiring one or more commercial off the shelf solutions other than Cerner, which may include systems targeted to Public Health specialty clinic as well as more generic ambulatory EHRs <p>4.4 Apply the evaluation framework to determine a stacked ranking and recommended approach</p> <p>4.5 Review the alternatives, analysis, stacked ranking, and recommended approach with DPH stakeholders</p> <p>4.6 Conduct additional research and analysis to address issues and questions raised in the DPH review</p> <p>4.7 Develop a final alternatives analysis and recommendation report</p>		
<p>Readiness Assessment</p> <p>5.0 Confirm DPH readiness to pursue the agreed upon approach and identify prerequisite and co-requisite activities and acquisitions</p>	<p>5.1 Conduct a small number of additional interviews as necessary</p> <p>5.2 Apply Gartner Readiness Assessment methodology and framework to identify key issues that DPH will have to address in order to be successful</p> <ul style="list-style-type: none"> The Readiness Assessment considers at least the following areas: <ul style="list-style-type: none"> Governance Culture Applications Infrastructure Skills and Staffing 	DCE plus 6-8 weeks	<p>5.1 Review and Acceptance of the Draft and Final Readiness Assessments</p> <p>5.2 Review and Acceptance of the Workshop Materials</p>

EXHIBIT B
SCOPE OF WORK
Date of Contract Execution – May 31, 2014

	<ul style="list-style-type: none"> The Readiness assessment provides recommendations to address or remediate any of the identified high risk areas <p>5.3 Present the draft Readiness Assessment in an interactive workshop with key DPH stakeholders to confirm the findings and recommendations</p> <p>5.4 Conduct additional research and analysis to address issues and questions raised in the work shop</p> <p>5.5 Create a final Readiness Assessment Report which includes the feedback from the workshop and any additional research and analysis</p>		
<p>Develop Roadmap</p> <p>6.0 Agree upon an actionable plan for DPH to acquire and implement an EHR and achieve desired revenue, service level, interoperability, and information analytics objectives</p>	<p>6.1 Develop a draft actionable road map for DPH which:</p> <ul style="list-style-type: none"> Incorporates the recommended alternative identified and agreed upon in the Alternative Analysis Addresses all risks and recommendations identified in the Readiness Assessment Describes the proposed Project Management Strategy Lays out the key work streams along a time line showing clear interdependencies Identifies key activities, resources, and critical success factors for each work stream Includes (but is not limited to) the following work streams: <ul style="list-style-type: none"> EHR acquisition Design, development, configuration, integration 	<p>DCE plus 8-9 weeks</p>	<p>6.1 Review and Acceptance of the Draft and Final Road Map</p>

EXHIBIT B
SCOPE OF WORK
Date of Contract Execution – May 31, 2014

	<ul style="list-style-type: none"> ○ Organizational Change Management and process design ○ Ongoing Maintenance and Support requirements (i.e. supporting processes, support resources, business and IT staffing requirements) • Describes a high level timeframe and budget for each work stream <p>6.2 Present the draft Road Map in an interactive workshop with key DPH stakeholders</p> <p>6.3 Conduct additional research and analysis to address issues and questions raised in the work shop</p> <p>6.4 Create a final Road Map which includes the feedback from the workshop and any additional research and analysis</p>		
<p>Executive Presentation</p> <p>7.0 Communicate the findings, analysis, recommendations and road map to obtain executive level buy-in</p>	<p>7.1 Develop a draft Executive Summary report and presentation</p> <p>7.2 Review and refine the presentation with key DPH stakeholders</p> <p>7.3 Present summary of findings, analysis, recommendations and road map to key executives in CHS and DPH, and other external stakeholders as required</p>	<p>DCE plus 10 weeks</p>	<p>7.1 Executive Summary Presentation material</p> <p>7.2 Delivery of Executive Summary to stakeholder groups as required</p>

Contractor: Gartner, Inc.
Contract #: PH-Pending

EXHIBIT C
Budget
Date of Contract Execution – May 31, 2014

Phase 1 – Alternatives Analysis	Fixed Fee(s)
Step 1 – Project Initiation and Planning Step 2 – Data Collection Step 3 – Confirmation of the Strategy and Direction Step 4 – Assessment of Alternatives	\$80,000.00
Phase 2 – Readiness Assessment and Roadmap	
Step 5 – Readiness Assessment Step 6 – Roadmap Step 7 – Executive Presentation	\$75,000.00

CONTRACTOR'S EEO CERTIFICATION

Contractor Name

Address

Internal Revenue Service Employer Identification Number**GENERAL CERTIFICATION**

In accordance with Section 4.32.010 of the Code of the County of Los Angeles, the contractor, supplier, or vendor certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

CONTRACTOR'S SPECIFIC CERTIFICATIONS

- | | | | |
|----|---|------------------------------|-----------------------------|
| 1. | The Contractor has a written policy statement prohibiting discrimination in all phases of employment. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 2. | The Contractor periodically conducts a self analysis or utilization analysis of its work force. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 3. | The Contractor has a system for determining if its employment practices are discriminatory against protected groups. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| 4. | Where problem areas are identified in employment practices, the Contractor has a system for taking reasonable corrective action, to include establishment of goals or timetables. | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

Authorized Official's Printed Name and Title

Authorized Official's Signature

Date

CONTRACTOR ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT

CONTRACTOR NAME _____ Contract No. _____

GENERAL INFORMATION:

The Contractor referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires the Corporation to sign this Contractor Acknowledgement and Confidentiality Agreement.

CONTRACTOR ACKNOWLEDGEMENT:

Contractor understands and agrees that the Contractor employees, consultants, Outsourced Vendors and independent contractors (Contractor's Staff) that will provide services in the above referenced agreement are Contractor's sole responsibility. Contractor understands and agrees that Contractor's Staff must rely exclusively upon Contractor for payment of salary and any and all other benefits payable by virtue of Contractor's Staff's performance of work under the above-referenced contract.

Contractor understands and agrees that Contractor's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Contractor's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced contract. Contractor understands and agrees that Contractor's Staff will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

CONFIDENTIALITY AGREEMENT:

Contractor and Contractor's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Contractor and Contractor's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Contractor and Contractor's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Contractor and Contractor's Staff understand that if they are involved in County work, the County must ensure that Contractor and Contractor's Staff will protect the confidentiality of such data and information. Consequently, Contractor must sign this Confidentiality Agreement as a condition of work to be provided by Contractor's Staff for the County.

Contractor and Contractor's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced contract between Contractor and the County of Los Angeles. Contractor and Contractor's Staff agree to forward all requests for the release of any data or information received to County's Project Manager.

Contractor and Contractor's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, Contractor proprietary information and all other original materials produced, created, or provided to Contractor and Contractor's Staff under the above-referenced contract. Contractor and Contractor's Staff agree to protect these confidential materials against disclosure to other than Contractor or County employees who have a need to know the information. Contractor and Contractor's Staff agree that if proprietary information supplied by other County vendors is provided to me during this employment, Contractor and Contractor's Staff shall keep such information confidential.

Contractor and Contractor's Staff agree to report any and all violations of this agreement by Contractor and Contractor's Staff and/or by any other person of whom Contractor and Contractor's Staff become aware.

Contractor and Contractor's Staff acknowledge that violation of this agreement may subject Contractor and Contractor's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

SIGNATURE: _____

DATE: ____/____/____

PRINTED NAME: _____

POSITION: _____

**HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT
(HIPAA)**

**BUSINESS ASSOCIATE AGREEMENT UNDER THE HEALTH INSURANCE
PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA")**

County is a Covered Entity as defined by, and subject to the requirements and prohibitions of, the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules at 45 Code of Federal Regulation (C.F.R.) Parts 160 and 164 (collectively, the "HIPAA Rules").

Contractor performs or provides functions, activities or services to County that require Contractor in order to provide such functions, activities or services to create, access, receive, maintain, and/or transmit information that includes or that may include Protected Health Information as defined by the HIPAA Rules and is therefore subject to those provisions of the HIPAA Rules that are applicable to Business Associates.

The HIPAA Rules require a written agreement ("Business Associate Agreement") between County and Contractor in order to mandate certain protections for the privacy and security of Protected Health Information, and these HIPAA Rules prohibit the disclosure to or use of Protected Health Information by Contractor if such an agreement is not in place.

This Business Associate Agreement and its provisions are intended to protect the privacy and provide for the security of Protected Health Information disclosed to or used by Contractor in compliance with the HIPAA Rules.

Therefore, the parties agree as follows:

1. DEFINITIONS

1.1 "Breach" has the same meaning as the term "breach" at 45 C.F.R. § 164.402.

1.2 "Business Associate" has the same meaning as the term "business associate" at C.F.R § 160.103. For the convenience of the parties, a "business associate" is a person or entity, other than a member of the workforce of covered entity, who performs functions or activities on behalf of, or provides certain services to a covered entity that involve access by the business associate to Protected Health Information. A "business associate" also is a subcontractor that creates, receives, maintains or transmits Protected Health Information on behalf of another business associate. And in reference to the party to this Business Associate Agreement "Business Associate" shall mean Contractor.

1.3 "Covered Entity" has the same meaning as the term "covered entity" at 45 CFR § 160.103, and in reference to the party to this Business Associate Agreement, "Covered Entity" shall mean County.

1.4 "Data Aggregation" has the same meaning as the term "data aggregation at 45 C.F.R. Data Aggregation" has the same meaning as the term "data aggregation at 45 C.F.R. § 164.501. 164.501.

1.5 "De-identification" refers to the de-identification standard at 45 C.F.R. 164.514.

1.6 "Designated Record Set" has the same meaning as the term "designated record set" at 45 C.F.R. § 164.501.

1.7 "Disclose" and "Disclosure" mean, with respect to Protected Health Information the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate's internal operations or to other than its workforce. (See 45 C.F.R. § 160.103.)

1.8 "Electronic Health Record" means an electronic record of health-related information on and individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff. (See 42 U.S.C. § 17921.)

1.9 "Electronic Media" has the same meaning as the term "electronic media" at 45 C.F.R. § 160.103. For the convenience of the parties, electronic media means (1) Electronic storage material on which data is or may be recorded electronically, including, for example, devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; (2) Transmission media include, for example, the Internet, extranet or intranet, leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media if the information being exchanged did not exist in electronic form immediately before the transmission.

1.10 "Electronic Protected Health Information" has the same meaning as the term "electronic protected health information" at 45 C.F.R. § 160.103, limited to Protected Health Information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Electronic Protected Health Information means Protected Health Information that is (i) transmitted by electronic media; (ii) maintained in electronic media.

1.11 "Health Care Operations" has the meaning as the term "health care operations" at 45 C.F.R. § 164.501.

1.12 "Individual" has the same meaning as the term "individual" at 45 C.F.R. § 160.103. For the convenience of the parties, Individual means the person who is

the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502 (g).

1.13 "Law Enforcement Official" has the same meaning as the term "law enforcement official" at 45 C.F.R. § 164.103.

1.14 "Minimum Necessary" refers to the minimum necessary standard at 45 C.F.R. § 162.502 (b).

1.15 "Protected Health Information" has the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Protected Health Information includes information that (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is created, maintained, or transmitted by Business Associate from or on behalf of Covered Entity, and includes Protected Health Information that is made accessible to Business Associate by Covered Entity. "Protected Health Information" includes Electronic Protected Health Information.

1.16 "Required By Law" has the same meaning as the term "required by law" at 45 C.F.R. § 164.103.

1.17 "Secretary" has the same meaning as the term "secretary" at 45 C.F.R. § 160.103.

1.18 "Security Incident" has the same meaning as the term "security incident" at 45 C.F.R. § 164.304.

1.19 "Services" means, unless otherwise specified, those functions, activities, or services in the applicable underlying Agreement, Contract, Master Agreement, Work Order, or Purchase Order or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

1.20 "Subcontractor" has the same meaning as the term "subcontractor" at 45 C.F.R. § 160.103.

1.21 "Unsecured Protected Health Information" has the same meaning as the term "unsecured protected health information" at 45 C.F.R. § 164.402.

1.22 "Use" or "Uses" means, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate's internal operations. (See 45 C.F.R. § 164.103.)

1.23 Terms used, but not otherwise defined in this Business Associate Agreement, have the same meaning as those terms in the HIPAA Rules.

2. PERMITTED AND REQUIRED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

2.1 Business Associate may only Use and/or Disclose Protected Health Information as necessary to perform Services, and/or as necessary to comply with the obligations of this Business Associate Agreement.

2.2 Business Associate may Use Protected Health Information for de-identification of the information if de-identification of the information is required to provide Services.

2.3 Business Associate may Use or Disclose Protected Health Information as Required by Law.

2.4 Business Associate shall make Uses and Disclosures and requests for Protected Health Information consistent with the applicable Covered Entity's Minimum Necessary policies and procedures.

2.5 Business Associate may Use Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities.

2.6 Business Associate may Disclose Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities, provided the Disclosure is Required by Law.

2.7 Business Associate may provide Data Aggregation services relating to Covered Entity's Health Care Operations if such Data Aggregation services are necessary in order to provide Services.

3. PROHIBITED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION

3.1 Business Associate shall not Use or Disclose Protected Health Information other than as permitted or required by this Business Associate Agreement or as Required by Law.

3.2 Business Associate shall not Use or Disclose Protected Health Information in a manner that would violate Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except for the specific Uses and Disclosures set forth in Sub-Paragraph 2.5 and 2.6 above.

3.3 Business Associate shall not Use or Disclose Protected Health Information for de-identification of the information except as set forth in Sub-Paragraph 2.2 above.

4. OBLIGATIONS TO SAFEGUARD PROTECTED HEALTH INFORMATION

4.1 Business Associate shall implement, use, and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information other than as provided for by this Business Associate Agreement.

4.2 Business Associate shall comply with Subpart C of 45 C.F.R. Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for by this Business Associate Agreement.

5. REPORTING NON-PERMITTED USES OR DISCLOSURES, SECURITY

INCIDENTS, AND BREACHES OF UNSECURED PROTECTED HEALTH INFORMATION

5.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information not permitted by this Business Associate Agreement, any Security Incident, and/ or any Breach of Unsecured Protected Health Information as further described in Sub-Paragraph 5.1.1, 5.1.2 and 5.1.3 below.

5.1.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors not provided for by this Agreement of which Business Associate becomes aware.

5.1.2 Business Associate shall report to Covered Entity any Security Incident of which Business Associate becomes aware.

5.1.3 Business Associate shall report to Covered Entity any Breach by Business Associate, its employees, representatives, agents, workforce members, or Subcontractors of Unsecured Protected Health Information that is known to Business Associate or, by exercising reasonable diligence, would

have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Breach of Unsecured Protected Health Information if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of Business Associate, including a Subcontractor, as determined in accordance with the federal common law of agency.

5.2 Except as provided in Sub-Paragraph 5.3, for any reporting required by Sub-Paragraph 5.1, Business Associate shall provide, to the extent available, all information required by, and within the time frames specified in, Sub-Paragraphs 5.2.1 and 5.2.2.

5.2.1 Business Associate shall make an immediate telephonic report upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information to **(562) 940-3335** that minimally includes:

- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
- (b) The number of Individuals whose Protected Health Information is involved;
- (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security

number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);

(d) The name and contact information for a person highly knowledge of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach.

5.2.2. Business Associate shall make a written report without unreasonable delay and in no event later than three (3) business days from the date of discovery by Business Associate of the non-permitted Use or Disclosure of Protected Health Information, Security Incident, or Breach of Unsecured Protected Health Information and to the **Chief Privacy Officer at: Chief Privacy Officer, Kenneth Hahn Hall of Administration, 500 West Temple Street, Suite 525, Los Angeles, California 90012, HIPAA@auditor.lacounty.gov**, that includes, to the extent possible:

(a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;

(b) The number of Individuals whose Protected Health Information is involved;

(c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);

(d) The identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, Used, or Disclosed;

(e) Any other information necessary to conduct an assessment of whether notification to the Individual(s) under 45 C.F.R. § 164.404 is required;

(f) Any steps Business Associate believes that the Individual(s) could take to protect him or herself from potential harm from the non-permitted Use or Disclosure, Security Incident, or Breach;

(g) A brief description of what Business Associate is doing to investigate, to mitigate harm to the Individual(s), and to protect against any further similar occurrences; and

(h) The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach.

5.2.3 If Business Associate is not able to provide the information specified in Sub-paragraphs 5.2.1 or 5.2.2 at the time of the required report, Business Associate shall provide such information promptly thereafter as such information becomes available.

(a) Business Associate may delay the notification required by Sub-paragraph 5.1.3, if a law enforcement official states to Business Associate that notification would impede a criminal investigation or cause damage to national security.

(b) If the law enforcement official's statement is in writing and specifies the time for which a delay is required, Business Associate shall delay its reporting and/or notification obligation(s) for the time period specified by the official.

(c) If the statement is made orally, Business Associate shall document the statement, including the identity of the official making the statement, and delay its reporting and/or notification obligation(s) temporarily and no longer than 30 days from the date of the oral statement, unless a written statement as described in Sub-paragraph 5.3.1 is submitted during that time.

6. WRITTEN ASSURANCES OF SUBCONTRACTORS

6.1 In accordance with 45 C.F.R. § 164.502 (e)(1)(ii) and § 164.308 (b)(2), if applicable, Business Associate shall ensure that any Subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate is made aware of its status as a Business Associate with respect to such information and that Subcontractor agrees in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to such information.

6.2 Business Associate shall take reasonable steps to cure any material breach or violation by Subcontractor of the agreement required by Sub-paragraph 6.1.

6.3 If the steps required by Sub-paragraph 6.2 do not cure the breach or end the violation, Contractor shall terminate, if feasible, any arrangement with Subcontractor by which Subcontractor creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate.

6.4 If neither cure nor termination as set forth in Sub-paragraphs 6.2 and 6.3 is feasible, Business Associate shall immediately notify County.

6.5 Without limiting the requirements of Sub-paragraph 6.1, the agreement required by Sub-paragraph 6.1 (Subcontractor Business Associate Agreement) shall require Subcontractor to contemporaneously notify Covered Entity in the event of a Breach of Unsecured Protected Health Information.

6.6 Without limiting the requirements of Sub-paragraph 6.1, agreement required by Sub-paragraph 6.1 (Subcontractor Business Associate Agreement) shall include a provision requiring Subcontractor to destroy, or in the alternative to return to Business Associate, any Protected Health Information created, received, maintained, or transmitted by Subcontractor on behalf of Business Associate so as to enable Business Associate to comply with the provisions of Sub-paragraph 18.4.

6.7 Business Associate shall provide to Covered Entity, at Covered Entity's request, a copy of any and all Subcontractor Business Associate Agreements required by Sub-paragraph 6.1.

6.8 Sub-paragraphs 6.1 and 6.7 are not intended by the parties to limit in any way the scope of Business Associate's obligations related to Subcontracts or Subcontracting in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

7. ACCESS TO PROTECTED HEALTH INFORMATION

7.1 To the extent Covered Entity determines that Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within two (2) business days after receipt of a request from Covered Entity, make the Protected Health

Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and shall provide such Individuals(s) or other person(s) designated by Covered Entity with a copy the specified Protected Health Information, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.524.

7.2 If any Individual requests access to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within two (2) days of the receipt of the request. Whether access shall be provided or denied shall be determined by Covered Entity.

7.3 To the extent that Business Associate maintains Protected Health Information that is subject to access as set forth above in one or more Designated Record Sets electronically and if the Individual requests an electronic copy of such information, Business Associate shall provide the Individual with access to the Protected Health Information in the electronic form and format requested by the Individual, if it is readily producible in such form and format; or, if not, in a readable electronic form and format as agreed to by Covered Entity and the Individual.

8. AMENDED OF PROTECTED HEALTH INFORMATION

8.1 To the extent Covered Entity determines that any Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within ten (10) business days after receipt of a written request from Covered Entity, make any amendments to such Protected Health Information that are requested by Covered Entity, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.526.

8.2 If any Individual requests an amendment to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within five (5) days of the receipt of the request. Whether an amendment shall be granted or denied shall be determined by Covered Entity.

9. ACCOUNTING OF DISCLOSURES OF PROTECTED HEALTH

INFORMATION

9.1 Business Associate shall maintain an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or Subcontractors, as is determined by Covered Entity to be necessary in order to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

9.1.1 Any accounting of disclosures provided by Business Associate under Sub-paragraph 9.1 shall include:

- (a) The date of the Disclosure;
- (b) The name, and address if known, of the entity or person who received the Protected Health Information;
- (c) A brief description of the Protected Health Information Disclosed; and
- (d) A brief statement of the purpose of the Disclosure.

9.1.2 For each Disclosure that could require an accounting under Sub-paragraph 9.1, Business Associate shall document the information specified in Sub-paragraph 9.1.1, and shall maintain the information for six (6) years from the date of the Disclosure.

9.2 Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of a written request from Covered Entity, information collected in accordance with Sub-paragraph 9.1.1 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

9.3 If any Individual requests an accounting of disclosures directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within five (5) days of the receipt of the request, and shall provide the requested accounting of disclosures to the Individual(s) within 30 days. The information provided in the accounting shall be in accordance with 45 C.F.R. § 164.528.

10. COMPLIANCE WITH APPLICABLE HIPAA RULES

10.1 To the extent Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 C.F.R. Part 164, Business Associate shall comply with the requirements of Subpart E that apply to Covered Entity's performance of such obligation(s).

10.2 Business Associate shall comply with all HIPAA Rules applicable to Business Associate in the performance of Services.

11. AVAILABILITY OF RECORDS

11.1 Business Associate shall make its internal practices, books, and records relating to the Use and Disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity available to the Secretary for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations.

11.2 Unless prohibited by the Secretary, Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

12. MITIGATION OF HARMFUL EFFECTS

Business Associate shall mitigate, to the extent practicable, any harmful effect of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement that is known to Business Associate.

13. BREACH NOTIFICATION TO INDIVIDUALS

13.1 Business Associate shall, to the extent Covered Entity determines that there has been a Breach of Unsecured Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors, provide breach notification to the Individual in a manner that permits Covered Entity to comply with its obligations under 45 C.F.R. § 164.404.

13.1.1 Business Associate shall notify, subject to the review and approval of Covered Entity, each Individual whose Unsecured Protected Health Information has been, or is reasonably believed to have been, accessed, acquired, Used, or Disclosed as a result of any such Breach.

13.1.2 The notification provided by Business Associate shall be written in plain language, shall be subject to review and approval by Covered Entity, and shall include, to the extent possible:

- (a) A brief description of what happened, including the date of the Breach and the date of the Discovery of the Breach, if known;

(b) A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);

(c) Any steps the Individual should take to protect him or herself from potential harm resulting from the Breach;

(d) A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to Individual(s), and to protect against any further Breaches; and

(e) Contact procedures for Individual(s) to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

13.2 Covered Entity, in its sole discretion, may elect to provide the notification required by Sub-paragraph 13.1 and/or to establish the contact procedures described in Sub-paragraph 13.1.2.

13.3 Business Associate shall reimburse Covered Entity any and all costs incurred by Covered Entity, in complying with Subpart D of 45 C.F.R. Part 164, including but not limited to costs of notification, internet posting, or media publication, as a result of Business Associate's Breach of Unsecured Protected Health Information; Covered Entity shall not be responsible for any costs incurred by Business Associate in providing the notification required by Sub-paragraph 13.1 or in establishing the contact procedures required by Sub-paragraph 13.1.2.

14. INDEMNIFICATION

14.1 Business Associate shall indemnify, defend, and hold harmless Covered Entity, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, expenses (including attorney and expert witness fees), and penalties and/or fines (including regulatory penalties and/or fines), arising from or connected with Business Associate's acts and/or omissions arising from and/or relating to this Business Associate Agreement, including, but not limited to, compliance and/or enforcement actions and/or activities, whether formal or informal, by the Secretary or by the Attorney General of the State of California.

14.2 Sub-paragraph 14.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Insurance and/or Indemnification in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

15. OBLIGATIONS OF A COVERED ENTITY

15.1 Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the Use or Disclosure of Protected Health Information that would affect Business Associate's performance of the Services, and Business Associate shall thereafter restrict or limit its own Uses and Disclosures accordingly.

15.2 Covered Entity shall not request Business Associate to Use or Disclose Protected Health Information in any manner that would not be permissible under Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except to the extent that Business Associate may Use or Disclose Protected Health Information as provided in Sub-paragraphs 2.3, 2.5, and 2.6.

16. TERM

16.1 Unless sooner terminated as set forth in Sub-paragraph 17, the term of this Business Associate Agreement shall be the same as the term of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

16.2 Notwithstanding Sub-paragraph 16.1, Business Associate's obligations under Sub-paragraphs 4.1, 4.2, 5.1, 5.2, 6.1, and 9.1, 10.1, 11.1, 11.2, and 18.1 to 18.4 shall survive the termination or expiration of this Business Associate Agreement.

17. TERMINATION FOR CAUSE

17.1 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and the breaching party has not cured the breach or ended the violation within the time specified by the non-breaching party, which shall be reasonable given the nature of the breach and/or violation, the non-breaching party may terminate this Business Associate Agreement.

17.2 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and

cure is not feasible, the non-breaching party may terminate this Business Associate Agreement immediately.

18. DEPOSITION OF PROTECTED HEALTH INFORMATION UPON

TERMINATION OR EXPIRATION

18.1 Except as provided in Sub-paragraph 18.3, upon termination for any reason or expiration of this Business Associate Agreement, Business Associate shall return or, if agreed to by Covered entity, shall destroy as provided for in Section 18.2, all Protected Health Information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, that Business Associate, including any Subcontractor, still maintains in any form. Business Associate shall retain no copies of the Protected Health Information.

18.2 Destruction for purposes of Section 18.2 and Section 6.1.2 shall mean that media on which the Protected Health Information is stored or recorded has been destroyed and/or electronic media have been cleared, purged, or destroyed in accordance with the use of a technology or methodology specified by the Secretary in guidance for rendering Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals.

18.3 Notwithstanding Sub-paragraph 18.1, in the event that Business Associate determines that any such Protected Health Information is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities, Business Associate may retain that Protected Health Information which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities and shall return or destroy all other Protected Health Information.

18.3.1 Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information, including continuing to use appropriate safeguards and continuing to comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for in Sub-paragraphs 2.5 and 2.6 for so long as such Protected Health Information is retained, and Business Associate shall not Use or Disclose such Protected Health Information other than for the purposes for which such Protected Health Information was retained.

18.3.2 Business Associate shall return or, if agreed to by Covered entity, destroy the Protected Health Information retained by Business Associate when it is no longer needed by Business Associate for Business Associate's proper management and administration or to carry out its legal responsibilities.

18.4 Business Associate shall ensure that all Protected Health Information created, maintained, or received by Subcontractors is returned or, if agreed to by Covered entity, destroyed as provided for in Sub-paragraph 18.2.

19. AUDIT, INSPECTION, AND EXAMINATION

19.1 Covered Entity reserves the right to conduct a reasonable inspection of the facilities, systems, information systems, books, records, agreements, and policies and procedures relating to the Use or Disclosure of Protected Health Information for the purpose determining whether Business Associate is in compliance with the terms of this Business Associate Agreement and any non-compliance may be a basis for termination of this Business Associate Agreement and the applicable underlying Agreement, Contract, Master Agreement, Work

Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, as provided for in Sub-paragraph 17.

19.2 Covered Entity and Business Associate shall mutually agree in advance upon the scope, timing, and location of any such inspection.

19.3 At Business Associate's request, and to the extent permitted by law, Covered Entity shall execute a nondisclosure agreement, upon terms and conditions mutually agreed to by the parties.

19.4 That Covered Entity inspects, fails to inspect, or has the right to inspect as provided for in Sub-paragraph 19.1 does not relieve Business Associate of its responsibility to comply with this Business Associate Agreement and/or the HIPAA Rules or impose on Covered Entity any responsibility for Business Associate's compliance with any applicable HIPAA Rules.

19.5 Covered Entity's failure to detect, its detection but failure to notify Business Associate, or its detection but failure to require remediation by Business Associate of an unsatisfactory practice by Business Associate, shall not constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights under this Business Associate Agreement or the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

19.6 Sub-paragraph 19.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Inspection and/or Audit and/or similar review in the applicable underlying Agreement, Contract, Master Agreement,

Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

20. MISCELLANEOUS PROVISIONS

20.1 Disclaimer. Covered Entity makes no warranty or representation that compliance by Business Associate with the terms and conditions of this Business Associate Agreement will be adequate or satisfactory to meet the business needs or legal obligations of Business Associate.

20.2 HIPAA Requirements. The Parties agree that the provisions under HIPAA Rules that are required by law to be incorporated into this Amendment are hereby incorporated into this Agreement.

20.3 No Third Party Beneficiaries. Nothing in this Business Associate Agreement shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

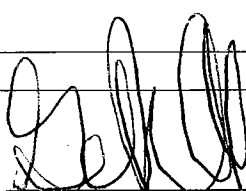
20.4 Construction. In the event that a provision of this Business Associate Agreement is contrary to a provision of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, the provision of this Business Associate Agreement shall control. Otherwise, this Business Associate Agreement shall be construed under, and in accordance with, the terms of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

20.5 Regulatory References. A reference in this Business Associate Agreement to a section in the HIPAA Rules means the section as in effect or as amended.

20.6 Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Rules.

20.7 Amendment. The parties agree to take such action as is necessary to amend this Business Associate Agreement from time to time as is necessary for Covered Entity or Business Associate to comply with the requirements of the HIPAA Rules and any other privacy laws governing Protected Health Information.

**SOLE SOURCE CHECKLIST
GARTNER, INC.**

Check (✓)	JUSTIFICATION FOR SOLE SOURCE PROCUREMENT OF SERVICES
	➤ Only one bona fide source for the service exists; performance and price competition are not available.
	➤ Quick action is required (emergency situation)
	➤ Proposals have been solicited but no satisfactory proposals were received.
	➤ Additional services are needed to complete an ongoing task and it would be prohibitively costly in time and money to seek a new service provider.
	➤ Maintenance service agreements exist on equipment which must be serviced by the authorized manufacturer's service representatives.
	➤ It is most cost-effective to obtain services by exercising an option under an existing contract.
	➤ It is the best interest of the County (e.g., administrative cost savings, too long a learning curve for a new service provider, etc.).
✓	<p>Other reason: In 2008, Gartner was selected through solicitation to assist the Department of Public Health (DPH) with the development of an Information Technology (IT) Transformation Plan that served as the basis for department-wide improvements in IT services and infrastructure capabilities. Gartner's previous experience with DPH gives it a head start to now evaluate DPH's current clinical operations and provide strategic guidance to DPH on the acquisition and implementation of an EHR system that will strengthen claims and billing processes necessary in a post-health care reform environment.</p> <p>Additionally, Gartner assisted the Department of Health Services (DHS) with the development of its EHR system and continues to provide strategic oversight, technical guidance and quality assurance. Partnering with Gartner for DPH's EHR assessment will best ensure that DPH and DHS clinical systems can freely exchange data to better ensure continuity of care and improve overall patient outcomes for safety net services.</p>
	<div style="display: flex; justify-content: space-between;"> <div style="text-align: center;">  <hr style="width: 100%;"/> <p>Greg Polk, Senior Assistant Chief Executive Officer</p> </div> <div style="text-align: center;"> <p>12/23/13</p> <hr style="width: 100%;"/> <p>Date</p> </div> </div>